



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

5.19.2

NOVEMBER 28, 2022

EFFECTIVE DATE

(11-28-2022)

PURPOSE

- (1) This transmits revised IRM 5.19.2, Liability Collection, Return Delinquency.

MATERIAL CHANGES

- (1) IPU 22U0572 issued 05-02-2022 IRM 5.19.2.1.7 - Revised related resource section.
- (2) IPU 22U0572 issued 05-02-2022 IRM 5.19.2.2 - Added phone number reference related to international taxpayers living abroad or in the U.S. Territories.
- (3) IRM 5.19.2.2.5 - Deleted IAT tool X-Claim.
- (4) IRM 5.19.2.6.3 - Deleted paragraph 3 as ITAR is obsolete effectively October 1, 2022.
- (5) IRM 5.19.2.6.4.1 - Deleted section added in IRM 5.19.16 CSCO Clerical Procedures.
- (6) IRM 5.19.2.6.4.6 - Revised HINF identification and added OUO content.
- (7) IPU 22U0572 issued 05-02-2022 IRM 5.19.2.6.4.6.5 - Clarified routing procedures for PR and AS cases.
- (8) IRM 5.19.2.6.7 - Revised to include CSCO and ACSS procedures when credit is a levy payment.
- (9) IPU 22U0572 issued 05-02-2022 IRM 5.19.2.6.7.1 - Corrected para numbering.
- (10) IRM 5.19.2.6.7.2 - Updated para numbering.
- (11) IRM 5.19.2.6.8.2 - Revised to add ACSS employees.
- (12) IRM 5.19.2.6.8.3(11) - Added ACS employees in exception.
- (13) IRM 5.19.2.6.10.1 - Updated link to OLNR for Austin.
- (14) IPU 22U0572 issued 05-02-2022 IRM 5.19.2.7 - Content revised to current return delinquency identity theft procedures.
- (15) IPU 22U0572 issued 05-02-2022 IRM 5.19.2.7.1 - Deleted section.
- (16) IRM 5.19.2.8 - Revised high income nonfiler identification and added OUO content.
- (17) IRM 5.19.2.8.2 - Revised If/Then chart and added OUO content.
- (18) Editorial changes were made throughout the IRM. Cross references and hyperlinks were added, removed, or revised as appropriate.

EFFECT ON OTHER DOCUMENTS

This supersedes IRM 5.19.2 dated April 23, 2021. The applicable changes from IRM Procedural Updates (IPUs) issued after April 23, 2021 have been incorporated into this IRM: 22U0572 dated May 5, 2022.

AUDIENCE

SB/SE and W&I employees in Compliance Services Collection Operation (CSCO), Automated Collection Services (ACS), Automated Substitute for Returns (ASFR)/ 6020(b), Territory Area Office, and Accounts Management (AM), who process IMF Return Delinquency Responses.

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Small Business/Self Employed

5.19.2

Individual Master File (IMF) Return Delinquency

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5.19.2.1
(04-23-2021)
Program Scope and Objectives

- (1) The objective of the IMF Return Delinquency (RD) Program is to work responses to notices that were generated through case creation and issued to taxpayers that have been identified as liable to file and have not filed a tax return by the return due date (RDD).
- (2) **Purpose:** In general taxpayer written or phone contacts related to unfiled returns for IMF tax modules in return delinquency or TDI status will be processed using this IRM. Additionally, instructions are provided for processing residual work related to the IMF Nonfiler program which includes Nonfiler transcripts.
- (3) **Audience:** Small Business/Self-Employed (SB/SE) and Wage & Investment (W&I) employees in Compliance Services Collection Operation, ACS, ASFR/6020(b), Territory Area Office, and AM, who process IMF return delinquency responses.
- (4) **Policy Owner:** Director, Collection Inventory Delivery & Selection, Small Business/Self Employed(SB/SE).
- (5) **Program Owner:** SB/SE Collection, Collection Inventory Delivery & Selection, Nonfiler Inventory Analysis (NIA), Collection Nonfiler Support (CNS).
- (6) **Primary Stakeholders:** Submission Processing, Accounts Management, CFO.
- (7) **Program Goals:** Taxpayer responses to IRS inquiries regarding unfiled returns and related work will be resolved correctly as measured by NQRS. Taxpayer responses and related work will be resolved timely as measured by NQRS.

5.19.2.1.1
(07-14-2017)
Background

- (1) This IRM 5.19.2, Liability Collection, Return Delinquency, provides guidelines for working the return delinquency program.

5.19.2.1.2
(04-23-2021)
Authority

- (1) The legal authorities discussed in this IRM are found in the following United States Code section 26 USC 6012.
- (2) Policy statements in IRM 1.2.1, relating to fairness and integrity, collection principles, delinquent returns, operations, timely correspondence, and collection enforcement in this IRM section include:
 - Policy Statement 1-236, Fairness and Integrity in Enforcement Selection
 - Policy Statement 5-1, Enforcement is a necessary component of a voluntary assessment system
 - Policy Statement 5-2, Collecting Principles
 - Policy Statement 5-133, Delinquent Returns - enforcement of filing requirements
 - Policy Statement 5-134, Operations to be geared to produce the greatest revenue yield with current tax collections given priority
 - Policy Statement 21-3 (Formerly P- 6 -12), Timeliness and Quality of Taxpayer Correspondence

5.19.2.1.3
(04-23-2021)

**Roles and
Responsibilities**

- (1) The Director, Collection Inventory Delivery & Selection, is responsible for overseeing program coordination for automated Nonfiler system and campus procedures related to Compliance Nonfiler programs. Works closely with Campus Collection directors and operations in each campus as primary contact and support for Nonfiler CSCO: answers program, inventory and support for Nonfiler CSCO.
- (2) The Director, Campus Collection, is responsible for formulating short and long-range program policies, strategies, and objectives. They establish criteria for selection and receipt of cases, address cross-functional issues, develop strategies, and ensure consistency of approach. They ensure that key managers operate as an effective management team and that all management functions are handled in an equitable and responsive manner to meet the needs of the customers; coaches subordinate managers; and assists in the resolution of complex issues. They direct the development of activities to build leveraged partnerships and collaborates with stakeholders to increase taxpayer knowledge and clarify tax code issues within this IRM.
- (3) The operations manager is responsible for managing remote Collection activities including telephone and correspondence transactions. Oversees department, team and employee responses to taxpayer inquiries and responses concerning taxpayer delinquent return accounts and investigations. Oversees department, team and employee actions to complete returns and calculate taxes owed for taxpayers who do not submit returns.
- (4) The department manager is responsible for overseeing team and employee responses to taxpayer inquiries and responses concerning taxpayer delinquent return accounts and investigations. Oversees team and employee actions to complete returns and calculate taxes owed for taxpayers who do not submit returns.
- (5) The front-line manager is responsible for overseeing employee responses to taxpayer inquiries and responses concerning taxpayer delinquent return accounts and investigations. Oversees employee actions to complete returns and calculate taxes owed for taxpayers who do not submit returns.
- (6) Campus employees who process IMF return delinquency responses are responsible for responding to taxpayer inquiries and responses concerning taxpayer delinquent return accounts and investigations. Campus employees complete tax returns and calculate taxes owed for taxpayers who do not submit returns.

5.19.2.1.4
(07-14-2017)

**Program Management
and Review**

- (1) **Program Reports:** Work Planning & Control (WP&C) reports are used to monitor rates, receipts and closures to determine if cases are being received and subsequently closed. WP&C reports are located on the Business Objects platform. Accounts Management Services (AMS) reports also provide information on inventory and inventory age. Case Control Activity System (CCA) reports detail the cases assigned to an operation, department, team or employee; they are located on Control D.
- (2) **Program Effectiveness:** The program goals and results are housed on the Collection Program and Campus Reports SharePoint site in the Monthly Monitoring Report (MMR). The MMR captures NQRS results to show monthly and cumulative stats.

5.19.2.1.5
(07-14-2017)
Program Controls

- (1) Taxpayer responses and other inventory are loaded to AMS and then distributed to tax examiners. AMS tracks employee actions and is monitored by operation, department, and front-Line managers along with Collection HQ employees.

5.19.2.1.6
(04-23-2021)
Acronyms

- (1) Refer to the list below for most commonly used acronyms.

Acronym	Definition
ACS	Automated Collection Services
ACSS	Automated Collection System Support
AM	Accounts Management
AMS	Accounts Management System
ASFR	Automated Substitute for Returns
CSCO	Compliance Services Collection Operation
CSR	Customer Service Representative
DIAQ	Diagnostic-Q Transcripts
FA	Field Assistance
FERDI	Federal Employees/Retiree Delinquent Investigation
IDRS	Integrated Data Retrieval System
ITP	Illegal Tax Protester
HINF	High Income Non Filer
LNTD	Little or No Tax Due
OTC	Office of Taxpayer Correspondence\
OUO	Official Use only
PCD	Program Completion Date
POA	Power Of Attorney
RD	Return Delinquency
RO	Revenue Office
TAS	Taxpayer Assistant Service
TDA	Taxpayer Delinquent Accounts
TDI	Taxpayer Delinquent Investigations
UD	Undeliverable Mail

5.19.2.1.7
(11-28-2022)

Related Resources

- (1) While many topics are covered in this chapter, comprehensive guidance about all of them may not always be included. As you use this section, continue to be alert for other guidance measures, such as related IRMs, IPU's and website resources. Access that guidance as needed to ensure a thorough understanding of the topic(s). Additional resources can be found as applicable in:

- IRM 2.3, IDRS Terminal Responses
- IRM 2.4, IDRS Terminal Input
- IRM 3.11.3, Individual Income Tax Returns
- IRM 3.30.123, Processing Timeliness: Cycles, Criteria and Critical Dates
- IRM 5.18.1, Automated Substitute for Return (ASFR) Program
- IRM 5.19.1, Balance Due
- IRM 5.19.3, Backup Withholding Program
- IRM 5.19.4, Enforcement Action
- IRM 5.19.5, ACS Inventory
- IRM 5.19.10, Collection Operations Transcript Processing
- IRM 5.19.11, Withholding Compliance Program
- IRM 5.19.16, Compliance Services Collection Operations (CSCO) Clerical Procedures
- IRM 5.19.17, Campus Procedures for Currently Not Collectible and Offers in Compromise
- IRM 5.19.19, Campus Compliance International Case Processing (CCICP)
- IRM 5.19.22, Business Master File (BMF) Return Delinquency
- IRM 21.3, Taxpayer Contacts
- IRM 21.4, Refund Inquiries
- IRM 21.5, Account Resolution
- IRM 20.1, Penalty Handbook
- IRM 20.2, Interest
- IRM 25.6.1, Statute of Limitations Processes and Procedures
- IRM 25.12.1, Processing Refund Hold Program Inventory
- *Document 6209*, IRS Processing Codes and Information

- (2) The IRS adopted the Taxpayer Bill of Rights (TBOR) in June 2014. Employees are responsible for being familiar with and acting in accordance with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights*.

- (3) Employees may also find the following information helpful:

- *Correspondex Letters*
- *Integrated Automation Technologies (IAT) Tools*
- *Job Aids*
- *Servicewide Electronic Research Program (SERP)*
- *Servicewide Notice Information Program (SNIP)*
- *Technical Communication Documents (TCD)*

5.19.2.2
(11-28-2022)

What Is The IMF Return Delinquency Program?

- (1) The objective of the IMF Return Delinquency (RD) program is to work responses to notices that were generated through case creation and issued to taxpayers that have been identified as liable to file and have not filed a tax return by the return due date (RDD).

- (2) A compliance check is conducted for a delinquent tax return based on the Program Completion Date (PCD) for each specific Individual Master File (IMF) tax return. PCD is determined when all timely filed, error free returns are

processed and the information is transmitted to Martinsburg Computing Center (MCC) for posting. For more information on PCD, see IRM 3.30.123.2.1, Program Completion Date (PCD) Definitions.

- (3) A Transaction Code (TC) 140 is created on IMF Taxpayer Delinquency Investigation (TDI) modules to establish the entity and/or tax module and Status 02 Delinquency Inquiry on the affected module.
- (4) Modules in the RD program consist of the following:
 - Delinquent Notice Master File (MF) Status 02,
 - TDI Master File(MF) Status 03,
 - Case Closed in Status 06 with a TC 593, 595, 596, 597, or 598,
 - Case Closed in Status 06 with a TC 590 cc 019, which only suppresses the notices.
- (5) Other IMF RD Non-Filer programs are ASFR and Refund Hold (IMF). Refer to IRM 25.12.1, Processing Refund Hold Program Inventory, or IRM 5.18.1, Automated Substitute for Return (ASFR) Program.
- (6) For International taxpayers living abroad and in the U.S. Territories, see IRM 5.19.19.1.2.1, General Information, for the non-toll-free telephone numbers to be provided.

5.19.2.2.1
(04-23-2021)
**Return Delinquency
Overview**

- (1) This section provides procedures for Individual Master File (IMF) working the Return Delinquency (RD) program in the campuses, call-sites, and Field Assistance (FA) offices to ensure timely resolution of taxpayer inquiries received via telephone, paper or face-to-face in regards to a RD module.
- (2) Inventory should be worked on a first-in first-out basis to reduce or eliminate overage. See IRM 3.30.123.5.2, Response to Correspondence and Overage Criteria, for additional guidance.

Note: Employees need to ensure communications from taxpayers are addressed in a timely manner to make sure the length of the process is as brief as possible.

- (3) For reporting purposes, the “Days to Close” for CSCO Operations is determined from the CSCO received date to closing date.
- (4) When sending a letter requesting additional information from the taxpayer, allow up to 30 days for the taxpayer to respond and 15 days for mail delivery, for a total of 45 days.
- (5) If additional information is needed refer to IRM 5.19.2.2.2, Out Calls and Disclosure Procedure Overview.
- (6) All employees should attempt to resolve each RD account on initial contact including closing modules with the appropriate Transaction Code (TC) 59X.

Note: Use a block indicator of “BB” for all TC 594 and 599 transactions. See IRM 2.4.26.3 (1) (c), Command Code FRM49, for more information.

- (7) Written responses for a RD case received in CSCO and ACS Support Operations must be batched within 5 business days from the Operation received date. AMS now inputs delays systemically.

- (8) For UD mail follow, IRM 5.19.16.3, Undeliverable (UD) Mail, Bad Address and Address Research (ADR) Processing.
- (9) If the case meets Policy Statement P21–3 criteria and cannot be closed by the 30th day, an interim letter must be sent to the taxpayer. For additional guidance see IRM 21.3.3.4.2.2, Interim Responses.
- (10) It is a requirement to send a closing Letter 2358C or appropriate letter informing the taxpayer of actions taken to resolve their issue whether or not an interim letter was sent. Refer to IRM 21.3.3.4.2, Policy Statement P-21-3 (formerly P-6-12) Procedures, for additional information.
- (11) Original returns or amended returns attached to RD notices are excluded from Policy Statement P21–3.

Note: Correspondence is all written communications from a taxpayer or their representative, excluding tax returns, whether solicited or unsolicited per IRM 21.3.3.2, What is a Correspondence? - Policy Statement P-21-3 (Formerly P-6-12) Exclusion List

Exception: If the taxpayer is requesting an acknowledgement to receipt of a tax return, send appropriate closing letter.

- (12) All incoming work is batched on AMS and controls are established on IDRS.
- (13) In all references throughout the IRM that instruct employees to address any balance due issue, it is **only** required for employees that have had training on Balance Due (BD) work. If the employee has not had adequate BD training, then take the necessary actions regarding the RD issue and refer the BD issue to the appropriate area within your site.
- (14) Throughout the IRM, all deadline dates, target dates or parameters are counted by calendar days not business days. You start counting with the first day you notify the taxpayer (by telephone or letter), or the first day of actions taken (i.e., IDRS, AMS, etc.), or the first day of entering follow-up items on ACS. See the chart below for more information.

If ...	Then ...
The calculated call-back date falls on a Saturday, Sunday or Holiday	The taxpayers call-back date will be the next business day. Reminder: Add an additional 4 days to your follow-up on ACS.
Providing the taxpayer a deadline date	Calculate the time frame leading up to the deadline by starting with the current day. Note: The total follow-up time could include a grace period of up to 5 days.

If ...	Then ...
Sending a letter requesting additional information from the taxpayer	Allow up to 30 days for the taxpayer to respond and 15 days for mail delivery, for a total of 45 days.
Other follow-up time added to your deadline date	<ul style="list-style-type: none"> • Additional 15 days follow-up date for decedent cases • Additional 30 days follow-up date for “generally” all others.

5.19.2.2.2
(11-28-2022)

Out Calls and Disclosure Procedure Overview

- (1) If additional information is needed to resolve the case, attempt to contact by phone or letter. If unable to reach by phone send a letter.
- (2) When contacting taxpayer's by telephone, out calls should be placed between the hours of 8:00 a.m. and 9:00 p.m. of the taxpayers time zone in which you are calling.

Note: These guidelines are also applicable when making out calls on a Saturday or Sunday.

Exception: When contacting a taxpayer's representative (POA), contacts should only be attempted during routine business hours (i.e. 8:00 a.m. to 6:00 p.m., Monday thru Friday) based on the POA's time zone unless other arrangements have been agreed to by the POA. Other arrangements/information must be documented on AMS.

- (3) When addressing the delinquent return via telephone contact and the taxpayer has the return already prepared, encourage the taxpayer to fax directly to you while on the telephone. Ensure the taxpayer has their current address on the return.
- (4) Secure and verify the best contact phone number (i.e. home, work, cell phone, etc.) when working any Notice Status 02 or Taxpayer Delinquency Investigation (TDI) Status 03 modules. Document IDRS, ACS and AMS accordingly. The best contact number should be placed in the “HOME FIELD” for IMF accounts and “BUSINESS FIELD” for BMF accounts on AMS. Do not verify/delete additional existing numbers.
- (5) All employees are required to follow disclosure guidelines.
- (6) For purposes of identification and to prevent unauthorized disclosures of tax information, follow the chart below:

If the contact is...	Then ...
Taxpayer	See IRM 21.1.3.2.3, Required Taxpayer Authentication or IRM 11.3.2.3.2, Requirements for Verbal or Electronic Requests

If the contact is...	Then ...
Parent/Guardian of Minor	See IRM 11.3.2.4.10, Minors
Taxpayers who filed jointly but are now divorced or separated	Returns are return information of individuals filing income tax returns jointly may be disclosed to either of the individuals with respect to whom the return is filed. See IRM 11.3.2.4.1, Individuals, for rules that apply for joint taxpayers who are no longer married or no longer reside in the same household.
Hearing Impaired (including telecommunications device for the deaf (TDD) equipment)	See IRM 11.3.2.3.2 (2), Requirements for Verbal Electronic Requests
Mailing and Faxing Tax Account Information	See IRM 21.1.3.9 (2), Mailing and Faxing Account Information, and IRM 21.2.3.5.5, Using Electronic Fax Services
Power of Attorney (POA), Form 2848, Power of Attorney and Declaration of Representative	See IRM 11.3.3, Disclosure to Designees and Practitioners
Tax Information Authorization (TIA) Form 8821, Tax Information Authorization	See IRM 11.3.3.2, Disclosure to Third Parties Based Upon Taxpayer Request for Assistance. See IRM 11.3.3.3 (1), Distinction Between Disclosure to Designees and the Conference and Practice Requirements. See IRM 11.3.3.3 (2), Distinction Between Disclosure to Designees and the Conference and Practice Requirements
Language or Sign Interpreter	See IRM 11.3.2.3.2 (2), Requirements for Verbal Electronic Requests
Hearing Impaired (including telecommunications device for the deaf (TDD) equipment)	See IRM 11.3.2.3.2 (2), Requirements for Verbal Electronic Requests
Oral Disclosure Consent	See IRM 11.3.3.3.2, Requirements for Oral Authorization
Checkbox Designee	See IRM 11.3.3.3.2, Requirements for Oral Authorization
Third Party claiming a material interest	See IRM 11.3.2.4, Persons Who May Have Access to Returns and Return Information Pursuant to IRC 6103 (e)

- (7) If making out-calls and there is a valid POA on file, you must contact the POA and not the taxpayer.

Note: CSCO and ACSS employees may, but are not required to, leave a message on an answering machine or voice mail.

5.19.2.2.3
(11-06-2015)
**Documenting Account
Actions**

- (1) You are required to document actions taken on taxpayer's accounts and/or actions promised by a taxpayer.

Note: This is a general statement. Refer to the specific sections within the IRM for accurate documentation.

- (2) All documentation will be done via AMS. All documentation on AMS should support action(s) taken based on completed research and be completed while the taxpayer is on the phone, if possible. When working paper, AMS documentation should support action(s) taken based on complete research.
- (3) Complete and accurate case documentation promotes quality and consistency in working cases. Documentation should contain enough information so that any person subsequently reading it can easily determine what decisions were made, why those decisions were made, what actions were taken and what further actions are required to resolve the case.
- (4) Do not use the term "illegal tax protester" (ITP) or similar designations on IDRS, ACS history codes, or AMS comments. The IRS Restructuring and Reform Act of 1998 (RRA 98), Section 3707, prohibits the use of any tax protester designation to describe the taxpayer. If you identify any such reference, immediately inform your manager. Terms such as "frivolous argument" or "tax avoidance argument" are acceptable terms to use.
- (5) When the taxpayer is requesting a change of address, and has moved from one state to another, you may need to document the Collection Location Code (CLC) . See IRM 5.19.1.4.2.1, Entity and Address Changes. For additional assistance for address changes, refer to:
- IRM 3.21.3.11.4.1, International Mailing Address.
 - IRM 3.13.5.123, Domestic Address Change Procedures for Primary Taxpayer ONLY.
 - IRM 2.4.9, Command Codes ENREQ, INCHG, IRCHG, BNCHG and BRCHG.

Example: If address on file is a P.O. Box, and a street address is secured, document P.O. Box as mailing address, and street address as location address on ENMOD.

5.19.2.2.4
(02-15-2022)
**Correspondence
Overview**

- (1) IRS correspondence or notice errors should be identified and reported to the *Office of Taxpayer Correspondence (OTC)* utilizing the **Red Button** application found at the Servicewide Notice Information Program (SNIP) website. Employees should report any correspondence errors identified, including notices that are smudged, unreadable, or sent to an incorrect taxpayer. The **Red Button** application should also be used to report correspondence that may have an

unauthorized disclosure of personally identifiable information (PII). See IRM 25.13.1.3, Erroneous Correspondence Procedures - Red Button Process, for additional information.

- (2) When requesting a delinquent return, remind the taxpayer to ensure the correct **current** address is on the return, whether it is a copy or original return.
- (3) If responding via correspondence to a taxpayer response (CP notice or letter), employees are required to acknowledge all documentation received and take all necessary actions. See IRM 21.3.3, Incoming and Outgoing Correspondence/Letters for additional guidance.

Note: When responding to taxpayer, ensure the letter is sent using a single name line. If a joint name is present, overlay the name line on CC LETER to a single name line. Do not change on CC ENREQ.

- (4) For **CSCO employees:** When corresponding with taxpayers use the appropriate Accounts Management (AM) Toll Free number. Document AMS to reflect actions taken and any pertinent information for the next employee.

Note: Situations may arise when it will be necessary for CSCO employees to give their direct telephone number to resolve a situation on an account, but these instances should be rare.

- (5) If taxpayer requests written confirmation that we received their tax return or correspondence, send Letter 2358C or other appropriate letter.
- (6) When referring a case to another office for resolution send Letter 86C. Refer to IRM 21.3.3.4.2.1, Use of 86C Letter - Referring Taxpayer Inquiry/Forms to Another Office for additional guidance on when it is necessary to issue the letter.
- (7) When working correspondence, it is required to verify/secure and input all taxpayers telephone numbers (i.e. home, work, cell phone, etc.) when working on Notice Status 02 or Taxpayer Delinquency Investigation (TDI) Status 03 modules. Document IDRS, ACS and AMS accordingly.

5.19.2.2.5 (11-28-2022)

Mandated Integration Automation Technologies (IAT) Tools

- (1) This section provides information on mandated IAT tools for campus compliance employees.
- (2) IAT tools are desktop productivity enhancing tools that simplify research, reduce keystrokes, eliminates repetitive typing, and increase the accuracy of regular work processes.
- (3) IAT uses IDRS to gather and submit data. If IDRS is down, or a command code is unavailable, IAT will not function, or may function improperly.

Note: The IAT Tool Manager (ITM) installed via the IAT website. Employees' access to IAT tools is controlled by the command codes in their IDRS profile. If an IAT Tool is missing from your ITM, review your IDRS profile to verify you have the command code(s) required for the tool.

- (4) Visit the *IAT Website* to:
 - Find tool descriptions
 - Research IAT Job Aids

- Request new IAT tools or enhancements of existing tools
 - Report problems with IAT tools, or
 - Subscribe to the IAT newsletter, iNews, which details all ongoing IAT activity with tool rollouts and retirements
- (5) If an IAT tool is unavailable, not functioning properly, there is a problem with the ITM, or the tool is otherwise determined not to be appropriate due to a specific situation:
- a. Work the case without the tool, using IDRS, following established procedures. Document the reason for not using the IAT tool on AMS.
 - b. Report the problem by accessing the IAT Website - Known Issues - and following the instructions.
- Exception:** Do not report IAT problems resulting from IDRS or command code downtime or speed issues.
- Note:** Some functional areas require employees to advise analysts or management prior to reporting problems with IAT tools. Follow the appropriate guidelines for your functional area.
- (6) The chart below provides a list of mandated tools for ACS Call Site, ACSS, CSCO and ASFR employees. When an action must be taken and a Mandatory IAT tool is available, Campus Compliance employees with access to the tool are required to use it to complete the action (unless paragraph (3) applies).

Note: For access to job aids and more information on each tool, see the *IAT Website*.

Functions	IAT Tools	Suggested Use
ACS and ACSS	<ul style="list-style-type: none"> • Credit Transfer • Fill Forms • Letters • Erroneous Refund • Manual Refund • REQ54 • REQ77 	<ul style="list-style-type: none"> • Compliance Suite • Disclosure
CSCO Functions	<ul style="list-style-type: none"> • Credit Transfer • eClerical for ESTAB requests • Erroneous Refund • FRM49 • Letters • Manual Refund • REQ54 • REQ77 (TDI) • TFRP Suite • Withholding Compliance - (Andover & Austin) 	<ul style="list-style-type: none"> • Compliance Suite

Functions	IAT Tools	Suggested Use
ASFR	<ul style="list-style-type: none"> • Credit Transfer • ESTAB • FRM49 • Letters • Refund Hold 	<ul style="list-style-type: none"> • Compliance Suite

5.19.2.2.6
(02-15-2022)
**Submitting SERP
Feedback**

- (1) To maintain the accuracy of IRM 5.19.2, Individual Master File (IMF) Return Delinquency, send corrections and change requests to Headquarters, via the *SERP* Feedback.net system. The *SERP* Staff forwards *SERP* Feedbacks to the appropriate Content Owner(s) in Headquarters for consideration of the requested IRM procedural changes. The Feedback system should **not** be used to ask questions that should be answered by your manager, lead or P&A staff or to rebut an employee or product review.

Note: Before you submit corrections/change requests for IRM 5.19.2, Individual Master File (IMF) Return Delinquency, via the *SERP* Feedback.net, you must consult your Lead or Manager for assistance to verify if this is a valid request for an IRM change/correction.

- (2) DO NOT use the *SERP* Feedback Form to request changes to the following for:
- Policy, policy statements, tax law and regulations - must be reviewed and submitted by Planning and Analysis staff at your site to Headquarters.
- (3) Additional actions to complete or consider before submitting a change request are:
- In all functional areas, change requests must be approved by the first line manager or designee and the responsible Planning and Analysis Analyst before submission to Headquarters. All change requests submitted by Quality Review Staff must be approved by the first line manager.
 - The *SERP* Feedback.net procedures must be followed by all field employees as well as the Quality Review Program Staff and are posted on the *SERP* Feedback.net page.
 - Before submission, re-examine the requested change(s) and cite supporting documentation. Be specific. Avoid the use of general terms such as "revise procedures". Submit only one issue/topic per *SERP* Feedback.
 - Complete all required fields on the *SERP* Feedback Form. The Identification field **MUST** be completed or the feedback will not be forwarded.
 - All changes are considered, but all may **not** be accepted. Accepted changes are published on *SERP* as IRM Procedural Updates (IPUs).
 - Always review prior *SERP* Feedbacks and responses to determine whether your issue was previously raised. You can view responses to *SERP* Feedbacks via *Previous Feedback Lookup* by selecting IRM or topic.

5.19.2.3

(02-15-2022)

**IMF Return Delinquency
Case Creation**

- (1) IMF return delinquency case creation identifies taxpayers who have not filed a return but potential income/data is available and reported to the IRS via "Information Return Masterfile" (IRMF) that meets certain case selection criteria. It also identifies Stop-filer taxpayers who filed the previous year but not the next. This process is known as Individual Masterfile Case Creation Identification Process (IMF CCNIP).
- (2) All tax modules identified as Nonfilers during case creation are assigned Select Codes (SC). Not all Select Codes are worked in each specific RD program year. See *Document 6209* Section 11, for a list of current and prior year select codes. All cases identified by the Nonfiler case creation process can be accessed via CC IRPTR(J) without regard to the case being started as a return delinquency.
- (3) New modules selected into the RD program for a specific tax year are issued a notice requesting the delinquent return.
- (4) The CP 59 /CP 759 notices are sent on selected delinquent IMF modules.,
- (5) As of January 2013, a CP 515 will be issued when a CP 59 is returned from the post office with a new address. For more information, see IRM 5.19.16.3.2, Undelivered (UD) Mail Procedures.
- (6) Generally a CP 518 will be issued if a return does not post or the open RD is not closed within 8 weeks of the CP 59.

Exception: When a "new" created module has an existing associated module, the "new" module will accelerate to the status of the existing module bypassing a CP 518.

- (7) The case proceeds to TDI ST03 if the case is not closed within 6 weeks of the CP 518.

Exception: Not all modules go to TDI status 03.

- (8) IMF primary code "B" (PC-B) cases receive two notices (CP 59 & CP 516) and will remain in notice status 02.

Note: A notice status 02 module, including PC-B's, can systemically be moved into TDI Status 03 without receiving a subsequent notice if the taxpayer already has a module in TDI Status 03.

- (9) A sampling of these notices are reviewed by the CSCO RD function prior to mailing to ensure accuracy. See IRM 5.19.2.6.10, Return Delinquency On-Line Notice Review (OLNR) System, for procedures on working the OLNLR system.
- (10) Unresolved IMF RD cases may be considered for ASFR or ACS processing.
- (11) If UD mail is received follow IRM 5.19.16.3, Undeliverable (UD) Mail, Bad Address and Address research (ADR) Processing.
- (12) Status 04 (extension to file) tax modules do not bypass the case creation process. While none of the cases are considered for creation while the extension is in effect, once the extension expires the cases are included in the Nonfiler identification process and subsequent case creation selection process.

5.19.2.4
(02-15-2022)
**Manual Creation of a
Return Delinquency
Module (IMF Only)**

- (1) The purpose of manually creating a return delinquency (RD) is to prompt the generation of RD notices on modules not selected through case creation.

Exception: “AM” employees should create a Form 4442 referral to RD function when a case creation is required to be done.

Note: This section applies when working calls, face to face contacts and correspondences only.

- (2) The following **REQUIREMENTS** must be met (per module) in order to manually create a RD.

Exception: State Reverse File Match Initiative (SRFMI) and Refund Hold (RH) modules which have separate systemic processes.

- IRPTR(J) must be present,
- No unreversed TC 140, 474, or 150 present,
- Must be above filing requirements,
- Must exceed minimal tax due (see IRM 5.19.2.6.4.6.3.2, IMF Little or No Tax Due (LNTD)),
- On **current processing year only**, input a TC 474 **after November 15th**, this will allow IMF case creation to select the module first before a manual creation is considered.

Example: Do not create an RD module for current filing tax year before November 15th of current calendar year.

- The module is less than 6 years old (to determine the last 6 years, see IRM 5.19.2.6.4.5, IMF Determining Liability).

- (3) Once a determination has been made to create a module (TC 474), continue to follow IRM 5.19.2.4.1, Manual Creation of a Return Delinquency Module on IDRS.

5.19.2.4.1
(04-23-2021)
**Manual Creation of a
Return Delinquency
Module on IDRS**

- (1) After determination is made to create a module per IRM 5.19.2.4, Manual Creation of a Return Delinquency Module (IMF Only) and IRM 5.19.2.6.4.5, IMF - Determining Liability, use the following Integrated Data Retrieval System (IDRS) Command Codes (CC).

- IMFOL, see IRM 2.3.51, Command Code IMFOL.
- ENREQ, see IRM 2.4.9, IDRS Terminal Input, CC ENREQ, INCHG, IRCHG, BNCHG, and BRCHG and CC FRM49 and/or TDIRQ.
- FRM49, see IRM 2.4.26, Command Codes FRM14, FRM49, and TDIRQ.

- (2) Command code REQ77 is used to input TC 474, TC 475. TC 474 is used to “Establish a Tax Delinquency” or to “Delay a TDI”.

- (3) To establish an IMF tax module, follow the instructions below:

If	Then
A module is established on IDRS but does not have a TC 140	1. Input a TC 474 with posting delay code 02 and input 08 in cycle field. Input Select Code (SC) "96" for Full Compliance Check (FCC) in TDI-Select-Cd field, using CC REQ77.
A module is not established on IDRS and does not have a TC 140	1. Input TC 590 CC 076 and then TC 592.

Note: Once the TC 474 posts, the first RD notice (CP 59) will systemically generate a request for a tax return. "Cycle (cy) 08" is used only as an indicator for TDI programmers' analysis. It is not used to post a delay code.

- (4) If the above procedures create an unpostable, see Exhibit 5.19.2-4, Resolving Issues with Manual Created RD Modules on IDRS, for procedures to resolve the issue.

5.19.2.5
(02-15-2022)
**Return Delinquency
Research**

- (1) Research tools that will help you in resolving RD responses include, but are not limited to the following:
- Integrated Data Retrieval System (IDRS)/ Corporate Files On Line (CFOL) Command Codes (CC)
 - Automated Collection System (ACS) -ACSWeb
 - Account Management Services (AMS)
 - ADR (Address Research)
 - *Document 6209*
 - IRM 2.3.1, Section Titles and Command Codes for IDRS Terminal Responses
 - IRM 2.4, IDRS Terminal Input
 - Accurint (Lexis Nexus)
 - RTR (Remittance Transaction Research)
 - Automated Non-Master File (ANMF) system
- (2) Research **all cross reference** accounts for possible case resolution using research tools, without taxpayer contact. This includes spouse's SSN number, IMF or BMF cross-reference identified through research, the taxpayer states sole proprietor, owns a business, or Non-Master File (NMF) when either Overflow Status, or High Dollar criterion \$1 Billion or more. The Automated Non-Master File (ANMF) System is an accounting and data control of NMF accounts.

Note: **DO NOT reverse a previous TC 59X with a TC 592** on a module if CC ENMOD shows TC 971 AC 502 (\$1 Billion or more), TC 971 AC 100-104 and 145 or MFT 31 (Mirrored accounts) on IMF.

- (3) See IRM 5.19.2.6.7, Credit Balance Overview for procedural guidance on researching credit balance accounts. If a credit is identified as being mis-applied, take the necessary actions to move the credit to the correct module or entity.

- (4) Electronic payments (EFTPS) can be researched and verified via IDRS command code EFTPS. Electronic payment information is retained and can be researched for the current year plus four previous years. Information on EFTPS, including how to enroll, can be found at www.eftps.gov or by calling EFTPS Customer Service at 1-800-555-4477. See IRM 2.3.70.2, General, for guidance on using the CC EFTPS to verify if payments were applied correctly.
- (5) The Transcript Delivery System (TDS) tool, can be used to send Wage and Income Information Documents to the taxpayer and appropriate cover letter (when applicable), in lieu of any procedures throughout this IRM that state to send IRPTR or SUPOL supplements with the appropriate IRS letter.

Note: See IRM 21.2.3.4, Transcript Procedures, for procedures on using TDS

5.19.2.5.1
(02-15-2022)
IRP Income

- (1) The following IRP income is considered gross income. It is used when figuring the total tax for tolerance purposes in determining "Little or No Tax Due".
 - Wages
 - Interest
 - Dividends
 - Total Taxable Annuity
 - Allocated Tips
 - Unemployment Compensation

Note: For the 2009 tax year only, the American Recovery and Reinvestment Act provided that the first \$2,400.00 of unemployment compensation received in 2009 was non taxable. For the 2020 tax year only, the American Rescue Plan Act of 2021 provided an exclusion from gross income of unemployment compensation of up to \$10,200.00 for individuals. In the case of married individuals filing a joint Form 1040 or 1040-SR, this exclusion was up to \$10,200.00 per spouse. To qualify for this exclusion, a taxpayer's adjusted gross income must have been less than \$150,000.00. This threshold applied to all filing statuses and it didn't double to \$300,000.00 for married taxpayers who filed a joint return. Any unemployment compensation in excess of \$10,200.00 (\$10,200.00 per spouse if married filing jointly) should still be included on the tax return as taxable income. For 2021 and subsequent tax years, in general, unemployment compensation is fully taxable. However, if the taxpayer made contributions for a governmental unemployment compensation program and the taxpayer does not itemize deductions, the taxpayer should reduce the amount he or she reports by those contributions (Line 19 on the Form 1040).

- (2) Computed taxable social security benefits are always taxable and cannot have any expenses written off against the income. However, the taxpayer's total income amount is used to calculate the taxable portion of social security benefits.
- (3) The following IRP income received by taxpayers is always included in gross income. However, taxpayers may reduce these items of gross income by certain expenses associated with earning the income, or by a recovery of basis, in determining their taxable income.
 - Total pensions
 - Early distribution of pensions
 - Non-employee compensation (NEC)

- Agricultural subsidies
- Distribution share
- Patronage income
- Fishing income
- Gross winnings
- Barter income
- Rents and royalties
- Medical payments
- Real estate payments
- Broker/Stock Sales
- Federal contractor income (Not Form 8596)
- K-1 business
- Crop insurance
- Attorney fees
- Passive income
- Cancelled debt (see below)
- Other income (i.e. amount reported on 1040 by taxpayer not listed above)
- 1099K (Payment Card and Third Party Network Transactions) (GAMC&TN)

- (4) If a taxpayer owes a debt and the debt or loan is cancelled, the amount of the cancelled (or discharged) debt or loan generally is included in gross income.

Exception: The Mortgage Debt Relief Act of 2007 generally allows taxpayers to exclude cancellation of debt income from the discharge of debt on their principal residence. Section 108(a)(1)(E) and 108(h) generally permits the taxpayer to exclude cancellation of “qualified principal residence indebtedness” for debt forgiven during calendar years 2007 through 2017. In 2019, section 101 of P.L. 116-94 amended section 108 (a)(1)(E) to extend the exclusion through calendar year 2020. Cancellation of debt may occur in connection either with a mortgage restructuring or with a foreclosure of the property. The maximum amount of debt cancellation that can be excluded is \$2 million (\$1 million if the taxpayer is married filing separately). Lenders report debt cancellations forgiven debt to debtors and the IRS on Form 1099-C, Box 2.

Note: A taxpayer may say that he or she is entitled to exclude the amount of cancelled debt because it is a qualified principal residence interest indebtedness. To claim the exclusion, a taxpayer should file Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment). Refer the taxpayer to Publication 4681, Canceled Debts, Foreclosures, Repossessions, and Abandonments, for additional guidance.

- (5) Self Employment (SE) tax should be computed and added into the total tax computation for the following IRP income listed if net earnings from self employment income is less than \$400, do not compute self employment tax.

Note: You can also refer to Form 1040, Schedule SE as a tool for accurate calculation.

- NEC
- Medical payments

- Fishing income
- Barter income
- Federal contractor (Not Form 8596)
- Crop insurance
- Attorney fees
- Patronage income
- K-1 guaranteed payments
- K-1 business if a general partner
- 1099K (Payment Card and Third Party Network Transactions) (GAMC&TN)

(6) The following IRP items are not taxable income and should not be used to determine the gross income or tax amounts:

- IRA contributions
- Withholding
- Excess FICA and medicare wages
- FICA wages
- FICA withholding
- Computed premium distribution
- Computed self-employment tax
- Advanced Earned Income Credit
- Early withdrawal penalty
- Mortgage interest
- CTR transactions amount
- Form 8596

5.19.2.6
(01-16-2015)

Return Delinquency Procedures

(1) This section provides guidance in resolving taxpayer inquiries and responses to accounts in the return delinquency (RD) program.

5.19.2.6.1
(01-16-2015)

IMF Cases Referred

(1) Delinquency requests may be received from other areas within the IRS on the following forms:

- Form 4442, Inquiry Referral - Request for actions unable to be completed by originator.
- Form 9948, Referrals To - Referral/Routing to other areas within the IRS.
- Form 3499, Information Transmittal- Referral/Routing to other areas within the IRS.
- Form 3210, Document Transmittal- Document transmittal to other areas within the IRS.
- Form 2209, Courtesy Investigation - Request for Collection to secure a return when a return has previously posted and has been removed (e.g. Transaction Code (TC) 291, etc.).

Note: We no longer accept Form 2209 for account modules where returns have been removed and a TC 150 for zero remains. If you receive this form for this type of request, please return to sender with a statement explaining we no longer accept these

5.19.2.6.1.1
(04-23-2021)

**Accelerate and/or Delay
To TDI Status 03**

- (1) During normal processing, a RD module goes into notice status 02 when the first RD notice (CP 59) is issued. There are exceptions which will be discussed later.

Note: If a CP 59 is returned undelivered with a new forwarding address, the CP 59 will be reissued and generate a CP 515. See IRM 5.19.16.3.2, Undelivered (UD) Mail Procedures, for more information.

- (2) For Individual Master File (IMF) Non Primary Code (PC)-B modules, a final RD notice (CP 518) is issued 8 cycles later and 6 cycles after that, (14 cycles after the first RD notice) the module goes to TDI Status 03.

Note: For UD mail received follow IRM 5.19.16.3, Undeliverable (UD) Mail, Bad Address and Address research (ADR) Processing.

- (3) You may accelerate and/or delay a Non PC-B RD module to TDI status 03. Case goes to ACS or ASFR, by using command code (CC) ASGNI or CC ASGNB, see IRM 2.4.27-3, ASIGNI/ASGNB Input Display - Definers, for using a delay Cnn.

Note: A delay of 8 cycles "C08" is the longest delay allowed without leaving an IDRS control base open on the account for monitoring.

- (4) When working a RD response (correspondence or online) and you cannot resolve the RD module, the module may be accelerated to TDI Status 03 for further investigation.

Note: For more detailed examples, see Exhibit 5.19.2-5, Accelerate and/or Delay to TDI Status 03 Examples.

5.19.2.6.1.2
(04-23-2021)

**Accelerate to
Compliance Territory
Office (Revenue Officer)**

- (1) In certain situations when all attempts to resolve the RD module have failed, and the taxpayer requests a face to face meeting, you should advise the taxpayer to contact the nearest field assistance office. Provide the taxpayer with the address of the nearest Taxpayer Assistance Center (TAC), from SERP Who/Where tab *Local TAC Office Finder by Zip*, and proceed to accelerate the module to TDI Status 03.

Note: Make sure the taxpayer is aware that the TAC office will not prepare the return for them. If they need assistance with preparing a return, you should refer them to the appropriate toll free number or IRS.gov.

- (2) If the taxpayer requests face to face meeting at their place of business or residence because:

- They can't get to a field assistance office
- Or has lost records due to circumstances beyond their control (fire, flood, seizure, etc.) and we can't re-construct their records, suggest the taxpayer estimate expenses. If they cannot estimate expenses, then refer case to a compliance territory office.

Send Letter 86C or other appropriate transfer letter to the taxpayer, following the procedures stated below:

If	And	Then
RD module is in Notice Status 02 or TDI Status 03,	You have supporting documentation,	<ol style="list-style-type: none"> 1. Using CC ASGNI or CC ASGNB. . 2. Assign the account to 6466 for assignment to Territory Office (indicating supporting documentation). 3. For Notice Status 02 only, input a delay C01 to accelerate to TDI Status 03. 4. Route the case to the appropriate territory office (Revenue Officer).
RD module is in Notice Status 02 or TDI Status 03,	You do not have supporting documentation,	<ol style="list-style-type: none"> 1. Using CC ASGNI or CC ASGNB. . 2. Assign the account to 6401. 3. For Notice Status 02 only, input a delay C01 to accelerate to TDI status 03. 4. Destroy the notice.
RD module is a satisfied (Status 06 closed with a TC 59X) and the taxpayer has another module in Compliance Territory Office (Revenue Officer) status,	You have supporting documentation,	<ol style="list-style-type: none"> 1. Using CC ASGNI or CC ASGNB, assign the account to 6466. 2. Input a TC 592 to reverse the previous TC 59X, using FRM49. 3. Route the case to the appropriate territory office (revenue officer).
RD module is a satisfied (Status 06 closed with a TC 59X) and the taxpayer has another module in Compliance Territory Office (Revenue Officer) status,	You do not have supporting documentation,	<ol style="list-style-type: none"> 1. Using CC ASGNI or CC ASGNB, assign the account to 6401. 2. Input a TC 592 to reverse the previous TC 59X, using FRM49. 3. Destroy the notice.
RD module is satisfied (Status 06 closed with a TC 59X) and there are no other modules assigned to the Compliance Territory Office (Revenue Officer).	You have supporting documentation.	<ol style="list-style-type: none"> 1. The module must be on TDINQ. If not, you must establish the entity using CC TDIRQ. 2. Using CC ASGNI or CC ASGNB, assign the account to 6466. 3. Input a TC 592 to reverse the previous TC 59X, using FRM49.

5.19.2.6.2
(02-15-2022)

**IRS Employee Select
Code 02 Return
Delinquency Program**

- (1) Return delinquencies for IRS employees are identified by Select Code (SC) 02.
- (2) Refer SC "02" case(s) to the designated Compliance Services Collection Operations (CSCO) employee.
- (3) Select code "02", RD first Master file notice (CP 59/759) "Request for Your Tax Return", are usually issued by the second cycle (week) of the IMF first notice issuances for each tax year.
 - The notice will be printed and mailed at the two Correspondence Production Services (CPS) sites- Detroit and Ogden.
 - An IRS employee list will show the IRS employee that will be receiving the notice.

- The IRS employee list will be provided by Headquarters (HQ) via secure e-mail to each appropriate campus to the designated CSCO employee.
- (4) IRS employees receive only one RD notice (CP 59, CP 759). Five cycles later, a TDI issues unless the tax examiner delays or accelerates the issuance or the case has been closed.

Note: Select Code 02 TDIs bypass ACS.

5.19.2.6.2.1
(11-06-2015)
**IRS Employee Return
Delinquency List
Processing**

- (1) The IRS employee RD list will be forwarded by secure E-mail to the designated CSCO employee in Austin and Fresno one cycle before the first cycle of the IMF CP 59/ CP 759 issuance.
- The listing is E-mailed twice a year, normally in November and the following February.
- (2) When the list is received determine if the taxpayer is on the list in error:
- Is the individual an IRS employee.
 - Does the income for the delinquent tax year include IRS income.
 - Check for obvious incorrect name control.
 - Determine if the prior year case has information that can be used to close this year.
 - Research IDRS for a cross-reference TIN. If joint return is filed, input appropriate transaction codes.
 - Compare and verify the amount and source of income versus filing requirements, and **close** as Not Liable if the income is below filing requirements (i.e. use TC 590 cc 076).
- (3) Prepare a case history sheet for each IRS employee case still open to be used for monthly case monitoring. The history sheet must be documented each month of all account actions (i.e., date of CP 59 sent, RO assignment, return filed or not, and any other pertinent information). Maintain list and history sheets in a locked file cabinet, see IRM 5.19.2.6.2.5, IRS Employee File.

5.19.2.6.2.2
(11-28-2022)
**Select Code 02
Responses**

- (1) These responses are worked as any other return delinquency responses in IRM 5.19.2.6.4, IMF Return Delinquency Responses and Inquiries, with the following exceptions:
- Cannot be closed as Little or No Tax Due.
 - The tax module is systemically blocked from closure under the provisions of Policy Statement P-5-133.
 - Follow the guidelines below on working responses:

If	And	Then
Response is insufficient,	Necessary to contact employee or obtain other information through research,	<ol style="list-style-type: none"> 1. Contact employee by telephone number (if applicable) and then send Letter 2269C to obtain necessary information. 2. Input a delay "C08" using CC ASGNI or CC ASGNB.
Notice TIN incorrect,	Intentionally Left Blank	<ol style="list-style-type: none"> 1. Advise employee by telephone or correspondence to contact personnel office. 2. Input TC 041 using CC ENREQ to correct TIN.
Response meets see IRM 5.19.2.6.4.1, IMF Special Handling.	Account is in Notice Status 02,	<ol style="list-style-type: none"> 1. Input D01 to accelerate to the area ICS for systemic assignment. Note: Do NOT assign to TIGTA or Examination, case will be systemically assigned to the Area ICS/Entity Quality Analyst (IQA) via ICS. 2. Monitor for TDI assignment. 3. Prepare Form 3210 and transfer the case (Case History Sheet, correspondence, any supporting documents) to the assigned Area Office. Put all information in a Confidential Information envelope labeling it "IRS Employee RD Case" and then place inside a mailer envelope. 4. Retain a copy of the case in the IRS Employee File and associate the acknowledged copy of Form 3210 when it is received.
Response meets see IRM 5.19.2.6.4.1, IMF Special Handling.	Account is in TDI Status 03.	<ol style="list-style-type: none"> 1. Prepare Form 3210 and transfer the case (Case History Sheet, correspondence, any supporting documents) to the assigned Area Office. Put all information in a Confidential Information envelope labeling it "IRS Employee RD Case" and then place inside a mailer envelope. 2. Retain a copy of the case in the IRS Employee File and associate the acknowledged copy of the Form 3210 when it is received. 3. Document AMS comments appropriately.

If	And	Then
Response indicates not an IRS employee, no longer works for IRS or the primary's ex-spouse is an IRS Employee.	Account is in Notice Status 02,	<ol style="list-style-type: none"> 1. Research on IRS web under <i>Discovery Directory</i> or using https://persinfo.web.irs.gov/hrcemploct.htm to verify if the taxpayer is currently an IRS employee. 2. If research indicates the taxpayer is a current IRS employee, continue as insufficient response as shown above. REMINDER: Seasonal employees are considered current IRS employees. 3. If research indicates the taxpayer is not an IRS employee or the taxpayer is the ex-spouse and there are no outstanding joint liabilities with the IRS employee, input TC 972 AC 191 on CC FRM77, and include in remarks section "Reversing IRS Employee Indicator". Input another TC 972 AC 51 to remove Federal Employee Indicator. Note: IRS employees have both IRS Employee indicator and Federal Employee indicator and both need to be removed if they are no longer an IRS employee, a Federal Employee or Retiree. 4. Document AMS comments appropriately.
Response indicates not an IRS employee, no longer works for IRS or the primary's ex-spouse is an IRS Employee.	Account is in TDI Status 03.	<ol style="list-style-type: none"> 1. Prepare Form 3210 and transfer the case (Case History Sheet, correspondence, any supporting documents) to the assigned Area Office. Put all information in a Confidential Information envelope labeling it "IRS Employee RD Case" and then place inside a mailer envelope. 2. Retain a copy of the case in the IRS Employee File and associate the acknowledged copy of Form 3210 when it is received. 3. Document AMS comments appropriately.

(2) When receiving Undeliverable (UD) notices for Select Code 02 cases:

- If there is a United States Postal Service (USPS) yellow label with a forwarding address and verification shows the same taxpayer, follow procedures in paragraph 3 below.
- If the Undeliverable notice has no USPS yellow label or the yellow label is not the same taxpayer, see IRM 5.19.16.3.2, Undelivered (UD) Mail Procedures.

Note: If case is in TDI Status 03 and is assigned to an area office, contact area office first before address change input or continue the address research (ADR) process.

(3) If the UD mail shows an updated address on a yellow USPS label:

- Input address change on IDRS.
- Send a Letter 2269C and select the appropriate paragraphs from the IRP information by checking CC SUPOL or IRPTR.

- Annotate AMS comments, and the case history sheet, of the address change and date the letter was sent.
- (4) If a delinquent return is secured, see IRM 5.19.2.6.4.5.12, IMF Response with Original Return. Annotate the following on the employees case history sheet:
- Date the return was secured.
 - Amount of tax, penalty and interest due.
 - Amount paid and date paid.
 - Amount of refund due.
 - Employee deceased, when applicable.
- (5) File closed notice responses and any related documents in the IRS employee file.
- (6) Once a month, using IRS employee list and case history Sheet, research each TIN for each case still open and annotate any subsequent activity. If there is any change from the previous research, attach an appropriate IDRS print of changes (i.e. ENMOD for Entity, TXMOD for account changes).

5.19.2.6.2.3
(04-23-2021)
**Select Code 02 TDI
Issuances**

- (1) When a case is in TDI status 03 and currently assigned to the area office, associate any related documents and prepare Form 3210 to transfer the case (Case History Sheet, correspondence, any supporting documents) to the assigned Area Office. Place all pertinent information in a Confidential Information envelope labeling it "IRS Employee RD Case" and then place this inside a mailer envelope.
- (2) If the module is in TDI Status 03, currently assigned to the area office and you receive related or pertinent information that needs to be referred, contact the ICS/Quality Analyst (IQA) as they are responsible for receipt, control and assignment of the IRS Employment cases. Refer to IRM 5.1.11.4.7, IRS Employee Return Delinquency, for additional guidance. To locate the IQA assigned, refer to SERP-Who/Where from SERP Homepage: *IQA ICS Contact*, click on ICS/Entity Quality Analysts tab.

5.19.2.6.2.4
(01-16-2015)
**Select Code 02 – Area
Office Closures**

- (1) Record the disposition of each case on the list. Retain a copy of the closed TDI in the employee file.
- (2) If it is identified that a case was closed in error, or not appropriate (i.e. closed other than "below FR" or reassigned to 7000 or 8000) contact the appropriate IQA to have the case assigned back to the RO, and to secure a return. See IRM 5.19.2.6.2.3, Select 02 TDI Issuances, to locate the appropriate IQA.

5.19.2.6.2.5
(01-16-2015)
IRS Employee File

- (1) All documents must be locked in a secured file cabinet.
- (2) Maintain the file by tax year. Divide yearly files into sub files:
- Sort open cases in Taxpayer Identification Number (TIN) order by copy of notice list, and employee case files.
 - Sort closed cases in TIN order by copy of notice list, and employee case files.
 - TC 594/599 source documents.
 - Closed TC 594/599 transcripts.

Note: Keep one year in active status and the prior year as inactive. Retain inactive files for one year, then destroy the oldest year when the next year is received. Dispose of prior year files in accordance with established procedures for “secure shredding”.

5.19.2.6.3
(11-28-2022)
**Taxpayer Advocate
Service Referrals**

- (1) This section provides procedures and guidance for working referrals to the Taxpayer Advocate Service (TAS). Our goal is to address and resolve the taxpayer's issue on initial contact whenever possible and avoid unnecessary referrals to TAS. Make every attempt to assist the taxpayer prior to referring to TAS.
- (2) Refer taxpayers to the Taxpayer Advocate Service (TAS) (see IRM 13.1.7.2, TAS Case Criteria) when you can't resolve the taxpayer's issue the same day.

Exception: See IRM 13.1.7.3, Exceptions to Taxpayer Advocate Case Criteria, for information on cases that TAS will no longer accept.

- The definition of “same day” is within 24 hours. “Same day” cases include cases you can completely resolve in 24 hours, as well as cases in which you have taken steps within 24 hours to begin resolving the taxpayer's issue.
- Do not refer “same day” cases to TAS unless the taxpayer asks to be transferred to TAS and the case meets TAS criteria. Refer to IRM 13.1.7.4, Same-Day Resolution by Operations.
- When you refer cases to TAS, use Form 911, Request for Taxpayer Advocate Services Assistance (and Application for Taxpayer Assistance Order), and forward to TAS. See (3) below for special procedures for identity theft issues.

- (3) Follow the table below if referring the account to the Taxpayer Advocate Service:

If	Then
Case is in Notice Status 02.	<ul style="list-style-type: none"> • Input a delay C08 using CC ASGNI or CC ASGNB. • Document AMS of actions taken including case referral to TAS.
Case is in TDI Status 03.	<ul style="list-style-type: none"> • Document AMS of actions taken including case referral to TAS. • If the account is on ACS input history item as follows: For ACS Support employees: TOS7,45,TAS For ACS Call Sites employees: TOR2,45,TAS

- (4) Refer taxpayers to TAS when the contact meets TAS criteria (see IRM 13.1.7 , Taxpayer Advocate Service (TAS) Case Criteria), or when Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order), is attached and steps cannot be taken to resolve the taxpayer's issue the same day.

- (5) **Same Day** includes cases that can be resolved in 24 hours, as well as cases where steps can be taken within 24 hours to begin resolving the issue. See also IRM 13.1.7.4, Same Day Resolution by Operations.
- (6) Use Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance order), and forward to the Taxpayer Advocate Office in accordance with your local procedures.

5.19.2.6.4
(11-06-2015)

**IMF Return Delinquency
Responses and Inquiries**

- (1) See *Document 6209* Section 11, for IRP Select Code Criteria Codes to determine the taxpayer's income and requirement to file.
- (2) When responding to a taxpayer inquiry and there is a discrepancy requiring disclosure, see IRM 11.3.2, for Disclosure guidance. for Disclosure guidance.

5.19.2.6.4.1
(11-28-2022)

IMF Special Handling

- (1) Review for the following conditions and take the required actions:

If	And	Then
Taxpayer response is threatening or indicates a potentially dangerous situation (online or in correspondence),	Account is in Notice Status 02 or Taxpayer Delinquency Investigation (TDI) Status 03,	<ol style="list-style-type: none"> 1. Assign to 8150 using command code (CC) ASGNI, see IRM 2.4.27-5, ASGNI/ASGNB Input Display—Single and Batch. 2. Refer to IRM 5.1.3, Safety, Security and Control, (i.e. “Potentially Dangerous Taxpayer (PDT)”. 3. Report all incidents to Treasury Inspector General for Tax Administration (TIGTA), by telephone. TIGTA can be reached at 1-800-366-4484. TIGTA will inform you of where to send the case. Note: Form 4652 Assault, Threat of Assault, or Harassment Report is now obsolete. 4. For cases in Notice Status 02, input delay C01 using CC ASGNI, see IRM 2.4.27-5, ASGNI/ASGNB Input Display—Single and Batch. To accelerate to Automated Collection System (ACS), see IRM 5.19.2.6.1.2, Accelerate to Compliance Territory Office (Revenue Officer). 5. For cases in TDI Status 03, enter a history item on Integrated Data Retrieval System (IDRS) or Account Management Services (AMS) indicating the case was sent to TIGTA. 6. If the account is on ACS, input history code, TOR1,60,TIGTA. 7. Once TIGTA's investigation is completed a determination will be made, and the employee through their Director will be informed of the disposition of the case in a memo. 8. If TIGTA states this isn't a threat, then continue working the case appropriately.
The taxpayer indicates in correspondence they refuse to file a return or provides information based on claims of a frivolous return, Note: Refer to IRM 3.12.2-13, Frivolous Filer Definitions, for definitions of frivolous arguments.	Account is in Notice Status 02 or TDI Status 03,	<ol style="list-style-type: none"> 1. Input Transaction Code (TC) 595 cc 082 for Compliance Services Collection Operation (CSCO) and Accounts management (AM) or TC 595 cc 032 for ACS/ACSS and refer to: Ogden Compliance Services ATTN: FRP M/S 4450 1973 N Rulon White Blvd Ogden, UT 84404 2. Document AMS of all pertinent information. 3. If account is on ACS, enter history code “TOR1,30,CMNTS”. 4. Notate on correspondence “Previously seen by Collections (CSCO or ACSS)” before routing.

If	And	Then
Taxpayer is on the telephone and refuses to file a return or gives information based on frivolous claims.	Account is in Notice Status 02 or TDI Status 03,	<ol style="list-style-type: none"> 1. Inform the taxpayer they need to file a return or provide the information in writing. 2. For cases in Notice Status 02, input delay C08 using CC ASGNI see IRM 2.4.27-5 , ASGNI/ASGNB Input Display—Single and Batch To accelerate to ACS, see IRM 5.19.2.6.1.2, Accelerate to Compliance Territory Office (Revenue Officer). 3. Document AMS with all pertinent information. 4. If the account is on ACS, enter history code "TOI7,30,CMNTS ".
Select Code (SC) 02 or 92.	Intentionally left blank	See IRM 5.19.2.6.2.2, Select Code 02 Responses.
Open CI control or TC 914.	Account is in Notice Status 02.	<ol style="list-style-type: none"> 1. Input delay "C08" using CC ASGNI. 2. Route notice to Criminal Investigation (CI) Branch. 3. Document AMS indicating the case was sent to CI. 4. If CI returns the case, resolve through correspondence. <p>Note: DO NOT call the taxpayer.</p>
Open CI control or TC 914	Account is in TDI Status 03.	<ol style="list-style-type: none"> 1. Document AMS indicating the case was sent to CI. 2. If the account is on ACS, enter history code "TOR3,60,CI or TC 914". 3. Route to CI Branch. 4. If CI returns the case, resolve through correspondence. <p>Note: DO NOT telephone the taxpayer.</p>

If	And	Then
Review MFT 30 for tax Mod in question	Intentionally left blank	<ol style="list-style-type: none"> 1. If TC 971 AC 111 is present <ul style="list-style-type: none"> • input TC 594 cc 083 • Refer return to RICS 6579 AUSC • If return sent to RICS input 86C Ltr • If you receive correspondence only and no return tell the taxpayer to follow instruction on letter sent by RICS instructing them to authenticate information contained on their 20XX income tax return. Refer to that letter and follow the instructions to complete processing of your income tax return, Destroy the correspondence. 2. If NO TC 971 AC 111 is present, review MFT 32 for the same tax period. If TC 976 is present <ul style="list-style-type: none"> • Input TC 594 cc 083 • Refer return to RICS 6579 AUSC • If return sent to RICS input 86C Ltr • If you receive correspondence only and no return tell the taxpayer to follow instruction on letter sent by RICS instructing them to authenticate information contained on their 20XX income tax return. Refer to that letter and follow the instructions to complete processing of your income tax return, Destroy the correspondence. 3. If no MFT 32 or TC 971 AC 111 is present, request the return.

- (2) If the taxpayer is liable and there is an indication of fraud, determine the extent of the delinquency (periods and amounts). Refer the case to CI, See IRM 25.1.3.3, Preparation of Form 2797.

Caution: Do **NOT** give advice about what to do, and do **NOT** solicit the return. If on the telephone, terminate the conversation. Document on AMS history all information pertinent to the processing of the case.

- (3) For indicators identifying potential fraud cases, see IRM 25.1.7.2, Pre-screening Non-filers, and/or IRM 25.1.2.3, Indicators of Fraud.
- See IRM 25.1, Fraud Handbook, for referral procedures.
 - When the case is returned from CI, process per CI instructions.
- (4) When taxpayer sends a Balance Due (BD) Notice as proof a return has been filed, see IRM 5.19.2.6.4.5.10, IMF Response Taxpayer Previously Filed Return.
- (5) Route the Form 2848 or other tax authorization to the Centralized Authorization File (CAF) Team. See IRM 21.3.7.1.3, CAF Processing Sites (CAF Function).

Note: A non-deployed spouse can represent as a POA for their deployed spouse in the military as long as she/he completes a Form 2848.

- (6) When the taxpayer requests a visit from an IRS representative, attempt to

resolve the case. If you are unable to resolve the case, see IRM 5.19.2.6.1.2, Accelerate to Compliance Territory Office (Revenue Officer).

- (7) A bankruptcy stay does not prohibit securing information from the taxpayer or sending the taxpayer information for the sole purpose of securing a return. If a return is secured, send a photocopy to the appropriate Insolvency/Bankruptcy area. See SERP Who/Where - Insolvency (Bankruptcy) Tools -*Insolvency National Field/Centralized Site Directory*, input and edit return with a TC 599 closing code (cc) 92/42 and continue with processing per IRM 5.19.2.6.4.6.12, IMF Response with Original Return.

Note: If other pertinent information is received without a return, send it to the appropriate Insolvency/Bankruptcy area.

5.19.2.6.4.1.1
(04-23-2021)
**Combat Zone IMF
Procedures**

- (1) **Section 7508** postpones the time for performing time-sensitive acts, such as filing tax returns or paying tax for the period of time that Section 7508 applies, plus 180 days. The IRS generally will not assess income tax or charge any penalty/interest during the postponement period. The IRS generally will cease all enforcement activities during the postponement period. Section 7508 applies to individuals in the following circumstances:

- Individuals serving in the Armed Forces in an area designated by the President of the United States as a combat zone for purposes of Section 112, or serving in support of such forces.
- Individuals serving in support of the Armed Forces in an area designated by the Secretary of Defense as a contingency operation.
- Individuals serving in the Armed Forces in a qualified hazardous duty area.

Note: See IRM 5.19.1.5.9, Military Deferment, IRM 5.19.10.6, Combat Zone Accounts, and Pub 3, Armed Forces Tax Guide, for procedural guidance. Also, refer to *IRS.gov* for additional information regarding Combat Zone issues (search item: Combat Zone).

- (2) Transmission of combat zone data from the Department of Defense is posted to the taxpayer's account(s). These transactions will have a unique DLN of "28277-999-99999-X" and are shown on CC IMFOLE. Combat zone accounts are also identified during processing of a tax return where the taxpayer has identified by documenting with: Serving Desert Storm/Shield, Bosnia, former Yugoslavia, Allied Force, Afghanistan, or Enduring Freedom. On these self-identified cases, a TC 500 will post to CC IMFOLE and not on a tax module. There will be a computer condition code "K" or "Z".

Note: See IRM Exhibit 3.12.2-2, Taxpayer Notice Codes, for additional guidance regarding the Condition Codes and processing.

- (3) The account modules will have a -C freeze showing and will have the following transaction and closing codes on the module that provide the entry and exit dates within the combat zone:
 - TC 500 with closing code 052 (entry date) or closing code 053 (exit date) = Desert Storm
 - TC 500 with closing code 054 (entry date) or closing code 055 (exit date) = Bosnia

- TC 500 with closing code 056 (entry date) or closing code 057 (exit date) = Enduring Iraqi Freedom

Note: If the taxpayer contacts us, assist them with their issues. Inform them with Letter 2761C they are not required to file a return while in the combat zone and will be given at least an additional 180 days after they exit the combat zone to file their current year and any delinquent returns.

- (4) As of January 2008, TC 598 cc 070 will systemically be input on the module upon the input of TC 500 with the above closing codes. The TC 598 cc 070 closes the account during the administrative relief period. The module will be identified on IDRS with a -C freeze code, and will not be indicated on Integrated Collection System (ICS), ACS, Automated Substitute for Return (ASFR) systems or inventory.

Note: If a -C freeze is present on the account and Combat indicator on CC IMFOLE is "1", no "new" RD notices will generate, so the input of a delay is not required.

- (5) For taxpayer's who have self identified, see IRM 5.19.10.6.5.1, Combat Zone IMF Procedures, for more information. Do not input TC 598 cc 070 on the module as a systemic TC 598 cc 070 will post to master file after the TC 500 posts. Once the TC 598 cc 070 posts, it will remove the account from system or inventory.

Note: Use REQ 77 on CC TXMOD to input.

- (6) When a taxpayer is no longer in the combat zone or -C freeze was set in error, the freeze can be resolved using procedures per IRM 5.19.10.6.5.1, Combat Zone IMF Procedures.

5.19.2.6.4.1.2
(04-23-2021)

IMF Procedures for Field Assistance Employees

- (1) For all field assistance (FA) employees working return delinquency IMF cases with a taxpayer in a field assistance office, you will follow the procedures below:
- If you are an Individual Taxpayer Advisory Specialist (ITAS) with an 809 book assigned to you, and any criteria throughout the IRM for 5.19.2 are met to enter any transaction codes and history items, you will prepare a Form 4442, Inquiry Referral, with the required information for all modules in Notice Status 02 or TDI Status 03. You must secure managerial approval and send the Form 4442 to the appropriate employee within your site for the actual inputs.
 - If you are an ITAS that is not assigned an 809 book, and criteria throughout this IRM are met, enter transaction codes and history items when applicable.
 - No ITAS employees will issue any of the RD letters required throughout the IRM for all modules in Notice Status 02 or TDI Status 03.
 - For all modules in Notice Status 02, if you are assigned an 809 book, you would include this information on the Document 4442 you have prepared.
 - For all modules in TDI Status 03, all ITAS employees will document any required comments or history codes on ACS, AMS, as appropriate. If you are assigned an 809 book, you would include this information on the Form 4442 you have prepared.

- ITAS employees will document levy sources on IDRS per stated in IRM, as appropriate. If you are assigned an 809 book, you would include this information on the Form 4442 you have prepared.
- If you are answering the taxpayer with a written or telephone response – field assistance employees working collection cases in Notice Status 02 or TDI status 03 will set deadlines that are reasonable and appropriate for filing returns.

- (2) When securing a return or resolving an open RD account, FA employees will use the following codes to close the module:

Closing Code	Definition
TC 599 cc 021	Non taxable return
TC 599 cc 024	Unassessible (Bankruptcy)
TC 599 cc 024	Return Compliance Program
TC 594 cc 022	Return previously filed
TC 594 cc 023	Filed as spouse on joint return
TC 590 cc 021	Income below FR
TC 591 cc 020	All other cases no longer liable

5.19.2.6.4.2
(11-06-2015)

IMF Examination Referrals

- (1) Research Audit Information Management System (AIMS) using CC AMDIS.

- If no data is available, see IRM 5.19.2.6.4.5.11, IMF Response Insufficient.
- If IDRS indicates an open examination case (TC 420 on notice or related module, -L freeze, or AIMS shows an open case) and AIMS status is 09 or more, route case to Examination, Classification Section. If sending a tax return, use overnight express to send to the appropriate Exam office, see note below. Input TC 595 cc 032/082 using CC FRM49 and input AMS comments as appropriate.

Note: To find the correct examination office, check AIMS for the 3-digit Primary Business Code (PBC), then check SERP under Who/Where, click on *Exam Employee Group Code (EGC) Contacts* and find the appropriate PBC office and address of that office.

- If open TC 420 and AIMS status is 08 or less, work the response or return as appropriate per procedures throughout the IRM.
- If AMDISA indicates a Status 90, which means the case is closed, do not send to Exam even if a -minus L freeze or open TC 420 exists. Work the response or return as appropriate per procedures throughout the IRM.

- (2) If the case is returned by Exam with the TC 420 reversed with a TC 421, see IRM 5.19.2.6.4.5, IMF - Determining Liability.

Note: For Notice Status 02 cases that are not closed as taxpayer not liable, accelerate to TDI Status 03 by inputting a delay "C01".

5.19.2.6.4.3
(08-06-2018)
**IMF Automated
Substitute for Return
Program (ASFR)
Referrals**

- (3) When working a transcript created by a TC 595 without a posted return, and the TC 595 was input in error, continue processing in IRM 5.19.2.6.8.2, Resolving TDI Research (TC 594/599) Transcripts.
- (1) The ASFR program was developed to systemically promote compliance with taxpayers who have not filed tax returns voluntarily and for whom income information is available to substantiate a significant income tax liability without costly field investigation. The purpose of this program is to assess the tax liability and promote compliance by either:
- Securing a valid voluntary income tax return from the taxpayer.
 - Computing tax, interest and penalties based upon Information Return Program (IRP) documents submitted by payers, or other internally available information.
- (2) The RD notices (CP 59/516/518) inform the taxpayer the IRS can prepare a substitute return, if a return is not filed. Cases selected with ASFR select codes receive a CP 59 and CP 518 (or 759/618) notice and then are automatically assigned to ASFR.

Note: For account modules in notice status 02 or TDI status 03 (combo cases), if correspondence from the taxpayer states to go ahead and prepare their return per the substitute for return warning in an IRS notice, when answering the taxpayer with written correspondence advise as follows: "This program uses the highest tax rates with no deductions allowed. Interest and penalties accrue from the original due date of the return until the substitute for return is processed and the account is paid in full. So it is in their best interest to prepare and file a return on their own, and pay any balance due as soon as possible". For elderly taxpayers who need help in preparing a return, recommend they visit IRS.gov , AARP or TCE (Tax Counseling for the Elderly).

- (3) Return delinquency modules that do not meet ASFR criteria include accounts listed below:

- Beginning January 2013, ACS will block TFRO, AOTO8000 for international accounts.

- No IRPTRJ data is present
- Any module has a freeze code of -Z, -V, -W, -L and Z-.
- The select code is CI (01) or IRS Employee (02).
- Any combo case with a balance due module regardless of status, including status 53 and status 60.
- The only tax year is older than six years from the current calendar year.

Note: For additional information regarding creating a module see IRM 5.19.2.4, Manual Creation of a Return Delinquency Module (IMF Only). Current processing year modules will not be manually created, for example; Do not create an RD module for tax year 2011 before November 15th of calendar year 2012.

- Cases with 60 or more documents, assign the case to the queue.

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Note: If one module has 61 or more documents and another module is below 61 documents, still assign the account to the queue.

- (4) Once IDRS/CFOL research has been completed, for stand alone Status 03 TDI(s) with IRPTR data available and there are less than 60 documents, use CC ASGNI 8000 to assign to ASFR. If the account is on ACS, enter history code **"TFRO,,AOTO8000"**..

Note: Area assignment (AOTO) can be located on ACSWeb.

- (5) If working a return delinquency response and research indicates ASFR criteria as listed below refer to ASFR. .

- TC150 for .00 with literal SFR next to it (initial return assessment), with tax-class 2 and Doc Code 10 in the DLN (Refer to Document 6209), or TC 971 with ac 143 (for cases selected after June, 2018).

Note: The DLN julian date will be 887. If the DLN julian date is 888, the module is an Exam SFR.

- Blocking series 000-299. (Refer to Doc 6209.)
- TC 599 with cc 088, indicates no response to the previous ASFR notifications.

Note: Send the case to your consolidated ASFR recon site if **all** the following transaction codes (TC 150 for .00, TC 494, TC 495, TC 290 and TC 599 cc 088 are present. You can find routing information for ASFR Reconsideration returns on SERP Who/Where *ASFR - Reconsideration Returns - Centralized Processing Sites*.

- TC 599 with cc 089 indicates taxpayer filed original return.

Note: If the response is a return or amended return and the module was closed with a TC 29X and/or TC 599 with a cc 089, and the tax on the return does not match the tax posted to IDRS, route the return to the local AM only if the Assessment Statute Expiration Date (ASED) is **not** expired. If ASED is expired, **send a disallowance Letter 916C** , Claim Incomplete for Processing; No Consideration, and document AMS comments appropriately.

- TC 599 with cc 013 indicates taxpayer agreed to the proposed assessment.

Note: If the response is a return or amended return and the module was closed: Send the case to your Consolidated ASFR Recon Site if **all** the following transaction codes (TC 150 for .00, TC 494, TC 495, TC 290 and TC 599 cc 013 are present. You can find routing information for ASFR Reconsideration returns on SERP Who/Where *ASFR - Reconsideration Returns - Centralized Processing Sites* .

5.19.2.6.4.4
(04-23-2021)

**Backup Withholding - C
(BWH-C) Inquiries**

- (1) Use this section to resolve BWH-C inquiries only. Refer to other IRM sections to resolve all other issues prior to referral.

- (2) If the Backup Withholding Indicator (BWI) is on the module (TXMOD), refer to IRM 5.19.3.5.2.2, "C" BWH Procedures. If the BWI is shown as "2" and any of the following conditions exist, forward the information via Form 4442 to the appropriate BWH unit for your BOD per the information in paragraphs #3, #4 & #5 below:

- Taxpayer is deceased.
- Account is closed "Not Liable", "Refund Due", or "Little or No Tax Due".
- The return has been previously filed, but posted to another module (e.g. filed joint with spouse, filed on an incorrect TIN, filed with an incorrect name [entity problem]).

Note: Only send the information to the BWH unit to make a determination to close BWH-C or not. You must work all the RD issues.

- (3) For W&I campuses, send the Form 4442 or correspondence to:

Internal Revenue Service

Stop 5000 P-4

333 W. Pershing Road

Kansas City, MO 64108-4302

Fax number - 855-233-8562

- (4) For SB/SE campuses, send the Form 4442 or correspondence to:

Internal Revenue Service

Mail Stop 4-N-31.142

2970 Market St.

Fax number for BWH **C** Indicator - 855-284-0690

- (5) For international SBSE backup withholding issues, send the Form 4442 or correspondence to:

Internal Revenue Service

Mail Stop 4-N-31.143

2970 Market St.

Philadelphia, PA 19104

5.19.2.6.4.5
(11-28-2022)

**IMF - Determining
Liability**

- (1) This section will provide guidance on determining if the taxpayer is liable to file a delinquent return, with the goal to resolve contact issues (correspondence or telephone calls) timely and accurately to prevent subsequent notices and/or TDI issuances. Refer taxpayers to their local office for assistance. (e.g. Taxpayer Assistance Centers (TACs), Volunteer Income Tax Assistance (VITA), Tax Counseling for the Elderly (TCE), American Association of Retired Person's (AARP)). See IRM 21.3.4.2, Standard Services and Taxpayer Assistance, for guidance. If necessary, send blank forms to the taxpayer to file the delinquent return(s), or refer the taxpayer to the IRS web-site, <http://www.irs.gov>. When responding to taxpayer via correspondence, refer to IRM 21.3.3.1.8, Policy Statement P-21-3 (formerly P-6-12), for guidance.
- (2) When the taxpayer provides a telephone number on a response to a CP notice, tax return or RD correspondence, update the taxpayer's account with the new telephone number . If the area code is not available research for area code on SERP under the Who/Where tab, click on *State/Time Zone Locator by Area Code*.
- (3) To research RD filing requirements by specific Select code refer to *Document 6209*.
- (4) To identify modules meeting High Income Non Filers criteria see IRM 5.19.2.8, High Income Non Filer Process (HINF) for additional guidance.

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Exception: “AM ”employees should create a Form 4442 referral to RD function when a case creation is required to be done. Backend state mapping can be found on SERP under the Who/Where tab for the campus program locator guide. See also Exhibit 5.19.2-2, CSCO Non-filer Campus Addresses.

- (7) If a potential RD module exists based on the information above, continue to follow procedures below to determine liability. Annotate AMS of actions taken, as appropriate.
- (8) Conduct complete research to resolve all RD issues on contact, including research of all cross reference TINs .

Note: When corresponding with the taxpayer, send one letter to address multiple years.

If ...	And ...	Then ...
Module is in Status 06 (closed with a TC 593, 597, or 598)	taxpayer is liable to file	<p>Input a TC 592 to reverse the TC 593, 597 or 598 to place the module back in Notice SC 02 or TDI Status 03.</p> <p>Exception: If the RD module was closed with TC 598 cc 032/082, then refer to procedures in IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable</p> <p>Note: Work these types of cases based on the status the module was in when the TC 593, 597 or 598 was entered (i.e. Notice 02 or TDI 03).</p>
Taxpayer has an open Refund Hold (RH) module (i.e. TC 570, 999 in the Julian Date field in the document locator number digits 6, 7 and 8 and an RF reason code and -R freeze)	Refund hold notice CP 63 (CSCO) or CP 88 (Exam) or Letter 2825C has been issued	Inform the taxpayer the refund is being held because there are delinquent return(s) that need to be filed.

If ...	And ...	Then ...
Taxpayer has an open Refund Hold (RH) module.	Taxpayer is inquiring about the held refund	Refer the taxpayer to the RH toll-free number at 1-866-897-3315, see IRM 25.12.1.6, Taxpayer Notification of Refund Hold. Note: Letter 2825C is only used to reissue notification for undeliverable CP notices.
Necessary	Left blank intentionally	Send income information (via IDRS CC IRPTRW or TDS) to the taxpayer to file the delinquent return(s).

(9) Whether the taxpayer should file a return depends on:

- Gross income (Gross income includes all income received in the form of money, goods, property, and services that is not exempt from tax, including any income from sources outside of the United States, even if you exclude part or all of it.)
- Age
- Filing Status

(10) IDRS CC “IRPTR” screen indicates the type and total income reported to the IRS for the taxpayer. See IRM 5.19.2.5.1, IRP Income, for definitions of IRP income to help determine what income is taxable.

Note: If the final page of IRPTR shows deferred compensation under other income, subtract from taxable income.

Note: You can accept the total expenses or cost basis from the taxpayer via the telephone or in correspondence (without a return) to compute the total tax and determine if the tolerance amount was met for minimal tax due. IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due. If the income is non-employee compensation, they should file a tax return.

(11) Use IDRS Command Code IRPTRJ to determine the taxpayer’s potential liability or if they meet “Little or No Tax Due”, “Income Below Filing Requirements”, “Refund Due” or “Not Liable”.

(12) If filing information is not provided by the taxpayer, use the last return filed, if within the last six years. Use FS 1 “single” or FS 3 “married filing separate”, if the taxpayer was married on their last return filed, and one exemption.

Note: For all HINF select codes, if unable to verify income, see IRM 5.19.2.8.5, HINF - Taxpayer Claims Not Liable, Refund Due or Little or No Tax Due.

(13) When you are on the telephone with the taxpayers and you are asking them for income and expenses for the delinquent tax year, to determine if the taxpayer is liable to file, remember to:

- Ask about all income received for the year: wages (including taxable fringe benefits), interest, dividends, stock sales, and self-employment income (for both the taxpayer and spouse if married filing joint return).
- Ask for filing status, number of exemptions and approximate withholding or credits.
- For reported IRP income from non-employee compensation over \$400, we will always ask the taxpayer for the return, **even if you are closing the module under** IRM 5.19.2.6.4.5.3, Delinquent Returns - Enforcement of Filing Requirements, (e.g. Little or No Tax).
- For reported IRP income from stock sales that put the taxpayer's total income above filing requirements, we will always ask the taxpayer for a return to show the costs associated with the stocks, **even if you close the module under** IRM 5.19.2.6.4.5.3, Delinquent Returns - Enforcement of Filing Requirements, (e.g. Little or No Tax).

(14) Follow procedures in the paragraphs below when responding to taxpayer contacts via telephone or correspondence:

If ...	Then ...
You determine the taxpayer is required to file a tax return	<ul style="list-style-type: none"> • Instruct them to complete the required return. Ask them to <ol style="list-style-type: none"> a. Sign b. Date c. And include current address • Provide them with the appropriate IRS fax number or mailing address, see IRM 5.19.1.4.4.1(7). • Document AMS comments appropriately.
Taxpayer states they had expenses (i.e. against business income) or a cost basis (i.e. against stock sales) that lowers their total income	<ul style="list-style-type: none"> • you can accept this information via the telephone or in correspondence (without a return) “ONLY” to compute the potential total tax liability and determine if there is a Refund Due or the tolerance amount was met for “Minimal” or “No” tax due per Policy Statement P-5-133. • Inform the taxpayer they are still required to file a return if determination shows a refund due, see IRM 5.19.2.6.4.5.2, IMF Refund Due, or Minimum or Little or No Tax Due , see IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due <p>Note: If a taxpayer does not file a return to show losses or gains from business income, we could be affecting their benefits when they retire.</p>

If ...	Then ...
Taxpayer states the income wasn't theirs	<p>Research the reported IRP income as follows:</p> <ul style="list-style-type: none"> • Research prior year returns to see if the income has been previously claimed, • Check if any wages were possibly earned in another city or state as someone else could be using the taxpayer's SSN, <p>Note: If it is determined the income is not the taxpayer's, See IRM 5.19.2.7, Return Delinquency Identity Theft Procedures.</p> <ul style="list-style-type: none"> • Research other account modules if they state the income was earned by a spouse or other family member (parent, children), or claimed on a business return, to see if the income was claimed.
Research indicates you cannot verify income was reported on another return	Ask the taxpayer to provide a copy of the return where the income was reported.
Cannot find any information through research to show income is definitely the taxpayer's	<p>Subtract the income when determining the taxpayer's liability.</p> <p>Note: For all HINF Select Codes if unable to verify income, see IRM 5.19.2.8.2 , HINF- IRP Incorrect.</p>
Taxpayer inquiry is dealing with Mortgage Interest (Sel 88 or 89)	See IRM 5.19.2.6.4.5.15, IMF Response Select Code 88 or 89 Mortgage Interest, for appropriate procedures.

- (15) Follow procedures in the paragraphs below as guidance when working taxpayer responses:

If ...	And ...	Then...
Taxpayer is liable and has not filed,	Taxpayer is Liable to file,	See IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable
Taxpayer is liable and has not filed,	Taxpayer's response indicates they "will file "(Correspondence Only)	See IRM 5.19.2.6.4.5.9, IMF Response Taxpayer Will File (Correspondence Only)

If ...	And ...	Then...
Taxpayer is liable and has not filed,	Taxpayer's response indicates they are "unable to file"	See IRM 5.19.2.6.4.5.14, IMF Response Taxpayer Unable to File
Taxpayer is not liable: Income is below filing requirements (FR) or previously filed,	Taxpayer's response indicates not liable to file and research shows they are not liable	See IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements)
Taxpayer is not liable: Income is below filing requirements (FR) or previously filed,	Taxpayer states they have previously filed this return	See IRM 5.19.2.6.4.5.10, IMF Response Taxpayer Previously Filed Return
Taxpayer may receive a refund if a return is filed,	Intentionally left blank	See IRM 5.19.2.6.4.5.2, IMF Refund Due.
Little or no tax due.	Intentionally left blank	See IRM 5.19.2.6.4.5.3.2 , IMF Little or No Tax Due.

If ...	And ...	Then...
If a correspondence is received informing us the income belongs to a "minor" child and was claimed on a parent's return	Intentionally left blank	<p>Verify the filing of the parent's return and verify the minor's income was included. If income is included whether the income (earned or unearned) exceeds the minor to file under their own SSN</p> <ol style="list-style-type: none"> Close the minor's module with TC 594 cc 033/083 Input AMS comments Send a closing letter or appropriate letter indicating that, if in future years, the minor's income (unearned or earned) exceeds the amount to be claimed on the parent's return, the minor must file their own return. Refer them to Pub 929, Tax Rules for Children and Dependents, for additional information.
Taxpayer is indicating why they don't have to file on Mortgage Interest (Sel 88 or 89)	Intentionally left blank	See IRM 5.19.2.6.4.5.15, IMF Response Select Code 88 or 89 Mortgage Interest, for appropriate procedures.

Note: The above references are not inclusive to working all responses, as there are many IMF subsections within this IRM that could apply.

(16) **ACSS** employees, if there is **no reply** from Letter 2269C :

And	Then
Taxpayer's income meets ASFR criteria,	See IRM 5.19.2.6.4.3, IMF Substitute for Return Program (ASFR) referrals.
Taxpayer's income meets Little or No Tax due criteria,	See IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due.
Module does not meet ASFR criteria,	Close the account as Unable to Locate or Unable to Contact. See IRM 5.19.2.6.6, Unable to Locate, or see IRM 5.19.2.6.6.1, Unable to Contact.
Account does not meet any of the above criteria.	Assign the account to the queue.

5.19.2.6.4.5.1
(11-06-2015)

**IMF Response Taxpayer
Not Liable (Income
Below Filing
Requirements)**

- (1) If the taxpayer's income is below filing requirements (FR) **or** a refund due return that the statute of limitation has expired, follow the guidelines below.

Note: For HINF select codes, see IRM 5.19.2.8.5, HINF - Taxpayer Claims Not Liable, Refund, or Little or No Tax Due.

If	Then
For CSCO and AM Employees	<ol style="list-style-type: none"> 1. Input TC 590 cc 076 using CC FRM49. 2. Send a closing Letter 2358C or other appropriate letter indicating not liable to file for the tax year in question. <p>Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent.</p> <ol style="list-style-type: none"> 3. Document AMS of action(s) taken. 4. If the taxpayer states they are a victim of Identity theft, see IRM 5.19.2.7, Identity Theft procedures, for guidance. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591, or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For ACS and ACSS Employees,	<ol style="list-style-type: none"> 1. Input TC 590 cc 026 using CC FRM49. 2. Send a closing Letter 2358C or other appropriate letter indicating not liable to file for the tax year in question. <p>Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent.</p> <ol style="list-style-type: none"> 3. If the account is on ACS, enter history code "TOC0,30, RDPND" or "TOS0,30, RDPND". "When closing a combo UTC account per IRM 5.19.2.6.6.1, Unable to Contact, and the account has already been re-assigned to TOC0 or TOS0, then use "OADT,30, RDPND". 4. Document AMS of action(s) taken. 5. If the taxpayer states they are a victim of Identity Theft, see IRM 5.19.2.7, Identity Theft Procedures, for guidance. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591, or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For FA Employees.	<ol style="list-style-type: none"> 1. Input TC 590 cc 021 using CC FRM49. 2. Send a closing Letter 2358C or other appropriate letter indicating not liable to file for the tax year in question. <p>Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent.</p> <ol style="list-style-type: none"> 3. If the account is on ACS, enter History Code "TOC0,21, RDPND" or "TOS0,21, RDPND". 4. Document AMS of action(s) taken. 5. If the taxpayer states they are a victim of Identity Theft, see IRM 5.19.2.7, Identity Theft Procedures, for guidance. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures prior to closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

Note: If the RD account(s) is Not Liable and the taxpayer is asking for an installment agreement (IA) or CNC to resolve their outstanding liability, follow directions in IRM 5.19.1, Balance Due.

5.19.2.6.4.5.2
(02-15-2022)
IMF Refund Due

- (1) Once an account has been determined to be a “refund due” as described in IRM 5.19.2.6.4.5, IMF Determining Liability, then use this section to resolve the account.

Note: If the statute of limitation has expired to receive a refund, follow procedures in IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements).

Note: For HINF select codes, see IRM 5.19.2.8.5, HINF - Taxpayer Claims Not Liable, Refund, or Little or No Tax Due.

If	Then
For CSCO and AM Employees,	<ol style="list-style-type: none"> 1. Advise the taxpayer to file the return. Advise taxpayer of the statute of limitations for receiving a refund. See IRM 25.6.1.8, Original Delinquent Return, for additional guidance on refund. 2. Input TC 590 cc 078 using CC FRM49. 3. Document AMS and to support action(s) taken and provide any information the taxpayer provides regarding the return. For example: <ul style="list-style-type: none"> - Filing Status - Taxable income 4. Advise the taxpayer to: <ol style="list-style-type: none"> a) Sign and date the return(s) b) use current address on the return c) Include all required schedules and documents d) Provide the appropriate IRS fax number or mailing address, see IRM 5.19.1.4.4.1(7). <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For ACS and ACSS Employees,	<ol style="list-style-type: none"> 1. Advise the taxpayer to file the return. Advise taxpayer of the statute of limitations for receiving a refund IRM 25.6.1.8, Original Delinquent Return, for additional guidance. 2. Input TC 590 CC 028 using CC FRM49. 3. Advise taxpayer of the statute of limitations for receiving a refund. 4. Document AMS to support action(s) taken and provide: <ul style="list-style-type: none"> • Filing status • Number of exemptions • Taxable income or refund 5. If account is on ACS, enter history code "TOC0,30,RDPND", or "TOS0,30,RDPND". 6. If you are an ACS employee, advise the taxpayer to: <ul style="list-style-type: none"> • "sign and date" the return(s), • use current address on the return, • include all required schedules and documents, • provide a valid fax number and/or mailing address see IRM 5.19.1.4.4.1(7). <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

If	Then
For FA Employees.	<ol style="list-style-type: none"> 1. Advise the taxpayer to file the return. See IRM 25.6.1.8, Original Delinquent Return, for additional guidance on refund. 2. Input TC 590 cc 020 using CC FRM49. 3. Advise taxpayer of the statute of limitations for receiving a refund. 4. Document AMS to support action(s) taken and provide: <ul style="list-style-type: none"> • Filing status • Number of exemptions • Taxable income or refund. 5. If account is on ACS, enter history code "TOC0,21,RDPND" or "TOS0,21,RDPND" . <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

Note: If the RD is a Refund Due and the taxpayer is asking for an installment agreement (IA) or CNC to resolve their outstanding liability, once the closing action has been taken to close the refund module, follow directions in IRM 5.19.1, Balance Due.

- (2) If the taxpayer states they have a refund but our calculations do not indicate refund due, see IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due or see IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable.

5.19.2.6.4.5.3
(04-23-2021)
**Delinquent Returns -
Enforcement of Filing
Requirements**

- (1) Policy Statement P-5-133, found in IRM 1.2.1.6.18, allows closing delinquent modules without enforcement action.
- (2) Factors to be taken into account include, but are not limited to:
- Prior history of non-compliance
 - Existence of income from illegal sources
 - Effect upon voluntary compliance
 - Anticipated revenue and collectability in relation to the time and effort required to determine tax due
 - Consideration will also be given any special circumstances existing in the case of a particular taxpayer, class of taxpayer, or industry, or which may be peculiar to the class of tax involved.
- (3) Normally, application of the above criteria will result in enforcement of delinquency procedures for not more than six (6) years.

5.19.2.6.4.5.3.1
(04-23-2021)
Six (6) Year Rule

- (1) Normally, application of P-5-133 criteria will result in enforcement of delinquency procedures for not more than six (6) years.

Note: The beginning of the calendar year sets the 6 year rule.

Example: January 1, 2021 sets the 6 year rule for 2014 and January 1, 2022 will set the 6 year rule for 2015. In this example, tax years 2014 is older than 6 years from the current calendar year and meet P-5-133 criteria.

(2) If an account meets the 6 year rule, take the following action:

If ...	Then ...
CSCO/AM employees	<ul style="list-style-type: none"> • Input TC 590 CC 077 using CC FRM49 • Document AMS <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
ACS/ACSS	<ul style="list-style-type: none"> • Input RD90,27 or input TC590 cc 027 using FRM49, and enter a history code "TOC0,30,RDPND" or "TOS0,30,RDPND". <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
FA employees	<ul style="list-style-type: none"> • Input TC 590 cc 020 • Document AMS • If on ACS, enter appropriate history code <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

- (3) Closures over 6 years old do not require managerial approval or AMS documentation of tax computation.

5.19.2.6.4.5.3.2
(02-15-2022)

IMF Little or No Tax Due

- (1) For little or no tax due, follow instructions below.
- (2) When determining “anticipated revenue and collectability”, there are specific criteria to take into consideration:

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Note: Aggregate net tax due does not apply, as each module is considered separately and does not take into consideration any other balance due or return delinquency module(s).

b. There is no tax due on the delinquent return(s).

- (3) Use IRPTRJ (if IRPTRJ is not present, then use available tools), for the tax year in question, to help determine if the taxpayer’s reported income is taxable and to help compute the amount of tax due. See IRM 5.19.2.5.1, IRP Income, for definition of IRP income documents.

Note: Always close cases meeting criteria for Not Liable (Income Below Filing Requirements) or Refund Due before closing as “Little or No Tax Due”.

- (4) Research is necessary to determine if the taxpayer is considered a “**Stop Filer**” prior to closing under criteria “minimum tax due”. Do not consider closing a “Stop Filer” as a “minimal tax due” closure unless the taxpayer has provided information stating their only income is what is reported via IRP documentation. The IRP documents alone cannot be used as the basis for this type of filer.

Note: Stop-filers are taxpayers who filed in the year immediately preceding the year of the return delinquency module. To identify these taxpayers, use IDRS cc IRPTRJ to research the copy score. This is a four digit field shown as “COPYS - ####”. If the first digit is 2, or 4, or 6, or 8 (no matter what the select code is), this is a stop filer. Some stop-filers may have income from business, rental, farm income, or other non reported IRP income.

Note: For all non stop-filers modules, check CC TRDBV or RTVUE to view the last return filed (not more than six years from the current tax year) to see if the taxpayer reported any non-IRP income (i.e. business income above any IRP reported income, rental income, farm income, etc.). It is only necessary to verify the last return filed and if the income above is present do not close as “Little or No Tax Due” or “Minimal Tax Due”.

- (5) If determined the module meets the criteria to close per paragraph 2 above, follow the table below for guidance:

Note: The below procedures are not necessary if closing the module over 6 years old.

Exception: Select code 02- IRS Employees can’t be closed “Little or No Tax Due”.

Note: Managerial approval is **not required** if “Little or No Tax Due” is determined

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tool used and the results in AMS comments.

If	And	Then
Account meets criteria in paragraph 2,	For CSCO, and AM Employees	<ol style="list-style-type: none">1. Send Letter 2269C or other appropriate letter. Request return be filed within 30 days. Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent. Note: Do not inform the taxpayer the account module is being closed as Little or No Tax Due.2. After managerial approval (unless approved tool is used), input TC 590 cc 77 using CC FRM49.3. Document AMS to support actions(s) taken and provide:<ul style="list-style-type: none">• Filing status• Number of exemptions• Taxable income• Tax or refund dueNote: Documentation is not required if closing modules over 6 years old. Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.

If	And	Then
Account meets criteria in paragraph 2,	For ACS and ACSS Employees	<ol style="list-style-type: none"> 1. Instruct the taxpayer to file within 30 days then set a 45 day deadline and send a Letter 2269C or other appropriate letter. If the module in question is on ACS, send an LT26 letter, which requests the taxpayer to file the return within 10 days from the date of receipt, unless case is being closed UTC per IRM 5.19.2.6.6.1, Unable to Contact. Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent. Note: Do not inform the taxpayer the account module is being closed as Little or No Tax Due. 2. If a credit balance remains on the account, you must follow all credit balance research procedures. before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7 Credit Balance Overview. Note: If on the telephone with the taxpayer, address the credit balance during the call. For more information, see IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures. 3. Document AMS to support action(s) taken and provide: <ul style="list-style-type: none"> • Filing status • Number of exemptions • Taxable income • Tax or refund due Note: Documentation is not required if closing modules over 6 years old. 4. Verify via IRPTRJ or the appropriate tools, input RD90,27 or input TC590 cc 027 using FRM49, and enter a history code "TOC0,30,RDPND" or "TOS0,30,RDPND". "When closing a combo UTC account per IRM 5.19.2.6.6.1, Unable to Contact, and the account has already been reassigned to TOC0 or TOS0, then use "OADT,30,RDPND"" 5. If managerial approval is required, enter history code to assign to Manager inventory requesting closing actions, "TOC0,05,590027" or "TOS0,05,590027". 6. After managerial approval (unless approved tool is used), input TC 590 cc 27 using CC FRM49 on IDRS or enter history code on ACS, "OADT,30,590027". Note: Managers in ACS or ACS Support will approve by entering ACS history code OADT,30,5133APP, but also have the option to approve by entering history code RD90,27 or to send the case back to their employee to input the transaction on IDRS per above. On the ACSWeb history code screen, select the grey button next to the history code entry field to enable entering a history code not in the drop down menu. 7. If you are an ACS employee, advise the taxpayer to: <ul style="list-style-type: none"> • "sign and date" the return(s), • use current address on the return, • include all required schedules and documents, • provide a valid fax number and/or mailing address, see IRM 5.19.1.4.4.1(7).

If	And	Then
Account meets criteria in paragraph 2,	For FA Employees.	<ol style="list-style-type: none"> 1. Contact the taxpayer via correspondence(Letter 2269C), by telephone, or in a face to face meeting and request return(s) for all delinquency tax year(s). <p>Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent.</p> <ol style="list-style-type: none"> 2. Set a deadline of 30 days from the day you close the case. 3. Input TC 590 cc 020. <p>Note: Do not tell the taxpayer the account module is being closed as Little or No Tax Due.</p> <ol style="list-style-type: none"> 4. If a credit balance remains on the account, you must follow all credit balance research procedures. before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.4.5, IMF - Determining Liability. 5. Document AMS with filing status, number of exemptions, taxable income, tax or refund due to support action(s) taken, including the deadline date. <p>Note: Not required if closing modules over 6 years old.</p> <ol style="list-style-type: none"> 6. If on ACS, enter history code "TOC0,05,590020".
Account does not meet criteria.	Intention-ally left blank	See IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable.

(6) All cases closed with **Little or No Tax Due** must be approved by a manager or lead, only if IRPTRJ or approved tools were not used, refer to Note in paragraph 5 above.

- For non-ACS AMS users, a narrative must be added stating this was approved. The narrative can be entered by the employee or management.
- For ACS employees you must enter all case actions in a narrative on AMS, including the case was sent for management approval and enter appropriate ACS history codes. A checklist on AMS may be used to generate the narrative. ACS SBSE management must use appropriate ACS History Codes and are not required to enter an additional narrative. W&I management must use appropriate ACS History Codes and **are** required to enter an additional narrative in AMS stating they approved or disapproved the closure.

(7) If you are an ACS employee, advise the taxpayer to:

- "sign and date" the return(s),
- use current address on the return,
- include all required schedules and documents,
- provide a valid fax number and/or mailing address, see IRM 5.19.1.4.4.1(7).

(8) For all identified HINF Select Code modules, see IRM 5.19.2.8.5, HINF - Taxpayer Claims Not Liable, Refund, or Little or No Tax Due.

Note: If the RD is Little or No Tax Due and the taxpayer is asking for an installment agreement (IA) or CNC to resolve an outstanding liability, follow directions in IRM 5.19.1, Balance Due

5.19.2.6.4.5.4
(02-15-2022)

IMF Taxpayer Liable

- (1) This section provides general guidance for determining actions needed when tax module(s) are identified as "liable to file".
- (2) For all HINF cases, see IRM 5.19.2.8.4, HINF - Taxpayer Contact.
- (3) If it is determined a taxpayer may be a victim of identity theft, see IRM 5.19.2.7, Identity Theft Procedures for additional guidance.
- (4) If the taxpayer is liable, determine the period(s) of delinquency. If the RD module can be closed Little or No Tax Due see IRM 5.19.2.6.4.5.3.2, Little or No Tax Due or taxpayer is due a refund see IRM 5.19.2.6.4.5.2, IMF Refund Due.
- (5) **FA employees only:** When working collection cases, set deadlines that are reasonable and appropriate. See IRM 5.19.2.6.1.2, Accelerate to Compliance Territory Office (Revenue Officer). When working ICS collection cases, refer those accounts meeting ASFR criteria from ICS. If the case meets ASFR criteria, but cannot be systemically assigned to ASFR on ICS, FA will utilize CC ASGNI 8000 using IDRS. See IRM 5.19.2.6.4.3, IMF Automated Substitute for Return Program (ASFR) Referrals.
- (6) If working the RD module and research indicates an associated module(s) is being closed ST 53 cc 24-32 or is already in ST 53 cc 24-32 follow guidance below:

If...	And...	Then...
RD module(s) has an associated balance due that is being closed under hardship (ST 53 cc 24-32),	Taxpayer is liable for the unfiled return(s),	<ol style="list-style-type: none"> 1. Request the return (Letter 2269C or appropriate letter). 2. Input TC 598 cc 032/082 to shelve the RD module while the balance due account is in CNC (ST 53).
New RD module(s) appears,	Previous balance due module was closed with ST 53 under hardship (cc 24-32) and it has been within 2 years from the date of the CNC,	<ol style="list-style-type: none"> 1. Request the return (Letter 2269C or appropriate letter). 2. Input TC 598 cc 032/082 to shelve the RD module while the balance due account is in CNC (ST 53).

If...	And...	Then...
New RD module(s) appears,	It has been more than 2 years from the date of the hardship CNC,	<ol style="list-style-type: none"> 1. Check the ST 53 cc 24-32 closing code threshold amount against the Taxpayer's Positive Income (TPI) on CC IRPTR and if the TPI is above the closing code threshold amount. <ol style="list-style-type: none"> a. Reverse the balance due module with TC 531, and, using TC 592, reverse any TC 598s input on previous RD modules. b. Accelerate the RD module(s) to ACS if still in notice SC 02, per IRM 5.19.2.6.1.1, Accelerate and/or Delay to TDI Status 03.
New RD module(s) appears.	It has been more than 2 years from the date of the hardship CNC.	<ol style="list-style-type: none"> 1. Check the ST 53 cc 24-32 closing code threshold amount against the TPI on CC IRPTR and if the TPI is below the closing code threshold amount. <ol style="list-style-type: none"> a. Request the return (Letter 2269C or appropriate letter). b. Input TC 598 cc 032/082 to shelve the RD module while the balance due account is in CNC (ST 53).

(7) If correspondence from the taxpayer requests we prepare the return per the "Substitute for Return":

- Send taxpayer a Letter 2269C or appropriate letter.
- Or call taxpayer to inform the ASFR program uses the highest tax rates with the standard deduction allowed.
- In addition, inform the taxpayer interest and penalties will accrue from the original due date of the return until the substitute for return is processed and the account is paid in full.
- Advise the taxpayer it is in your best interest to prepare and file a return on their own, and to pay any balance due as soon as possible.

Note: See IRM 5.19.2.6.4.3, IMF Substitute for Return Program (ASFR) Referrals, for additional guidance.

(8) If you are calling the taxpayer by telephone , provide the taxpayer with return and mailing instructions . If you are responding via correspondence, follow the guidelines below:

If ...	Then ...
Account is in Notice Status 02,	<ol style="list-style-type: none">1. Instruct the taxpayer to file within 30 days and set a deadline of 45 days from the day you are closing the case.2. Send a Letter 2269C or applicable letter using the appropriate paragraphs to advise the taxpayer that failure to file by the specified date could subject the taxpayer to a fine and/or criminal penalties or a possible "Substitute for Return" processing. Note: Remind the taxpayer to put their correct and current address on the return, whether it is a copy or an original return.3. Document AMS with target date given to taxpayer to file their return.4. Input delay "C08" using CC ASGNI. If accelerating the account to ACS, see IRM 5.19.2.6.1.1, Accelerate or Delay to TDI Status 03. Note: If working a combo case issue, ensure both CC Staup and delay time frames are equal in length.

If ...	Then ...
Account is in TDI Status 03 or Master-file 03.	<ol style="list-style-type: none"> 1. Instruct the taxpayer to file within 30 days and set a deadline of 45 days from the day you are closing the case. If the case is on ACS, send a LT26 letter, which will automatically set a 25 day deadline. 2. Send a Letter 2269C (use LT26 if the account in question is on ACS) or other appropriate letter using the appropriate paragraphs to advise the taxpayer that failure to file by the specified date could subject the taxpayer to a fine and/or criminal penalties and of a possible "Substitute for Return" processing. Note: Remind the taxpayer to put their correct and current address on the return, whether it is a copy or original return. 3. Input a history item on IDRS (using CC ACTON "TP2Fmmdd" with mmdd indicating the target date) or enter history on AMS explaining the target date provided to the taxpayer to file their return. 4. Document AMS of information secured, including the deadline date for filing and warning of enforcement actions. 5. If the case meets criteria for ASFR, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return Program (ASFR) Referrals. If the account is on ACS, input "TOI7,XX,ASFR" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates. 6. If the case doesn't meet ASFR criteria, see IRM 5.19.2.6.4.3, IMF - Automated Substitute for Return Program (ASFR) Referrals If the account is on ACS, input "TOI7,XX,TFQU" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates.

Note: When sending correspondence, only provide the taxpayer with missing income information from IRS internal sources as needed or requested.

- (9) If you are answering the taxpayer by telephone (Non-ACS or Non - FA Employee), follow the chart below. Provide the taxpayer with return and mailing instructions.

If	And	Then
Account has a delinquent return or is in Notice Status 02 or TDI Status 03 or Masterfile status 03.	Intentionally left blank	<ol style="list-style-type: none"> 1. Determine if the taxpayer has the necessary data and forms to file the delinquent return(s) and provide the information, as needed. <ul style="list-style-type: none"> • Instruct the taxpayer to file within 30 days (allow additional time, if necessary taking into consideration the complexity of the delinquent return(s) and other pertinent circumstances, but no more than 60 days.) <p>Note: If the taxpayer has the return already prepared, encourage the taxpayer to fax the return. If return is faxed, refer to 12 “note” below. If the TP prefers to E-file the return see IRM 3.42.5.16.5(3) for instructions.</p> <ul style="list-style-type: none"> • Advise the taxpayer that failure to file by the specified date could subject them to a possible substitute for return processing. • Remind the taxpayer to use the correct current address on the return, whether it is a copy or original return. • Input a history item on IDRS (using CC ACTON “TPPFmmdd” with mmdd indicating the target date) or enter history on AMS documenting the target date provided to the taxpayer to file their return. • If in Notice Status Code (SC) 02, input a delay C08 using CC ASGNI. If error message is received and ASGNI cannot be input annotate attempt on AMS. • If in TDI Status 03 or Masterfile 03, do not input delay. • Document AMS of filing status, number of exemptions, taxable income, tax or refund due to support actions taken that the taxpayer is liable to file, as appropriate.

If	And	Then
Account has a delinquent return or is in Notice Status 02 or TDI Status 03 or Masterfile status 03.	The taxpayer states “go ahead and prepare the return” and the module meets ASFR criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return Program (ASFR) Referrals	<ul style="list-style-type: none"> First, advise the taxpayer the following: “We will use the highest tax rates with the standard deduction, allowing only your personal exemption. Interest and penalties will accrue from the original due date of the return until the substitute for return (ASFR) is processed and the account is paid in full. It is in your best interest to prepare and file your own return and pay any balance due as soon as possible.” If in SC 02 and the taxpayer still says go ahead and file their return, then input a delay “C01” to accelerate to TDI status 03, hold the case for one cycle for the module to update, then use CC ASGNI 8000 to assign the case to ASFR. If in TDI Status 03, use CC ASGNI 8000 to assign the case to ASFR. Document AMS of filing status, number of exemptions, taxable income, tax or refund due to support actions taken that the taxpayer is liable to file, as appropriately.
Account has a delinquent return or is in Notice Status 02 or TDI Status 03 or Masterfile status 03.	The taxpayer states to go ahead and prepare their return and does not meet ASFR criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return Program (ASFR) Referrals	<ul style="list-style-type: none"> Advise the taxpayer, the ASFR program is not a voluntary option. Instruct the taxpayer to file within 30 days (allow additional time, if necessary taking into consideration the complexity of the delinquent return(s) and other pertinent circumstances, but no more than 60 days). Input a history item on IDRS (using CC ACTON “TPPFmmdd” with mmdd indicating the target date) or enter history on AMS documenting the target date provided to the taxpayer to file their return. If in SC 02, input a delay C08 using CC ASGNI . If in TDI Status 03, do not input delay.

Note: If also working a balance due issue for the taxpayer, make sure any time frames for STAUP’s and delays are equal.

- (10) You are answering the taxpayer by telephone or in person at a Taxpayer Assistance Center (TAC) (ACS or FA employee), and the taxpayer has no balance due modules:

If	And	Then
Account has a delinquent return or is in Notice status 02 or TDI status 03 or Masterfile status 03.	Intentionally left blank	<p>Ask the taxpayer for reasons that the return was not filed (e.g. the taxpayer owed money and could not pay, so they did not file; taxpayer could not find tax records, health/family issues, etc.).</p> <ol style="list-style-type: none"> Determine if the taxpayer has the necessary data and forms to file the return(s) and provide data as needed. <ul style="list-style-type: none"> Instruct the taxpayer to file the return and set a deadline (see table in paragraph 11 below) taking into consideration the complexity of the delinquent return(s) and other pertinent circumstances, but generally not more than 30 days. Enter history code "TOI7,XX,ASFR" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates. Advise the taxpayer that failure to file by the specified date could subject them to a possible substitute for return processing. Remind the taxpayer to ensure the correct current address is on the return, whether it is a copy or original return. If in SC 02, input a delay C08 (or C01 if another module is in ACS), using CC ASGNI . If error message is received and ASGNI cannot be input annotate attempt on AMS. If in TDI Status 03 or Masterfile status 03, do not input delay. Provide warning of enforcement actions, see IRM 5.19.1.7, Warning of Enforcement Action and Enforced Collection. Document AMS of target date to file "TPPFmmdd" (with mmdd indicating the target date), filing status, number of exemptions, taxable income, tax or refund due to support actions taken that the taxpayer is liable to file, as appropriately. <p>Note: If the taxpayer has the return already prepared, encourage the taxpayer to fax directly to you while on the telephone. If return is faxed, refer to 13"note" below. If the TP prefers to E-file the return see IRM 3.42.5.14.5 Forms for 1040 Modernized e-File (MeF) for instructions.</p>

If	And	Then
Account has a delinquent return or is in Notice status 02 or TDI status 03 or Masterfile status 03.	The taxpayer states "go ahead and prepare their return" and the module meets ASFR criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return (ASFR) Referrals .	<ul style="list-style-type: none"> First, advise the taxpayer the following: "We will use the highest tax rates with the standard deduction, allowing only your personal exemption. Interest and penalties will accrue from the original due date of the return until the substitute for return (ASFR) is processed and the account is paid in full. It is to their best interest to prepare and file a return on their own and pay any balance due as soon as possible". If in SC 02 and the taxpayer still says to go ahead and file their return, then input delay "C01" to accelerate to TDI Status 03, hold the case for one cycle for the module to update, then enter ACS history code "TFRO,,AOTO8000" to assign the case to ASFR. If in TDI Status 03, enter ACS history code "TFRO,,AOTO8000" to assign the case to ASFR. Provide warning of enforcement actions, see IRM 5.19.1.7 , Warning of Enforcement Action and Enforced Collection. Document AMS of filing status, number of exemptions, taxable income, tax or refund due to support actions taken that the taxpayer is liable to file, as appropriately.

If	And	Then
Account has a delinquent return or is in Notice status 02 or TDI status 03 or Masterfile status 03.	The taxpayer states to go ahead and prepare their return and does not meet ASFR criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return (ASFR) Referrals	<ul style="list-style-type: none"> Advise the taxpayer, the ASFR program is not a voluntary option. Instruct the taxpayer to file the return and set a deadline (see table in paragraph 11 below) taking into consideration the complexity of the delinquent return(s) and other pertinent circumstances, but generally not more than 30 days. If the taxpayer has been given a previous deadline that has passed, allow only a 10 day extension. They should be allowed a total of 40 days (any further extensions must be approved by a manager). Advise the taxpayer that no further extensions will be granted. Document the additional justification for the second extension. Remind the taxpayer to ensure the correct current address is on the return, whether it is a copy or original return. Input a history item on IDRS (using CC ACTON "TPPFmmdd" with mmdd indicating the target date) or document on AMS the target date provided to the taxpayer to file their return and warning of enforcement actions. Enter ACS history code "TOI7,XX,TFQU" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates. Provide warning of enforcement actions, see IRM 5.19.1.7, Warning of Enforcement Action and Enforced Collection. Document AMS of target date to file "TPPFmmdd" (with mmdd indicating the target date), filing status, number of exemptions, taxable income, tax or refund due to support actions taken that the taxpayer is liable to file, as appropriately.

- (11) If assisting the taxpayer by telephone or in person at a TAC (ACS or FA Employee), and the taxpayer has a balance due in notice status or another module in TDA status 22, then refer to chart below.

If	Then
Account has a delinquent return or is in Notice Status 02 or TDI Status 03 or Master-file status 03.	<ol style="list-style-type: none"> 1. Ask the taxpayer for a reason the return was not filed (e.g. the taxpayer owed money and could not pay, so they did not file; taxpayer could not find tax records, health/ family issues, etc.), and determine if the taxpayer has the necessary data and forms to file the return(s). If necessary, provide data for taxpayer to file. Instruct the taxpayer to file the return and set a deadline (see table in paragraph 12 below) taking into consideration the complexity of the delinquent return(s) and other pertinent circumstances, but generally not more than 30 days. Note: If the taxpayer has the return already prepared, encourage the taxpayer to fax the return. If return is faxed, refer to 13 “Note” below. If the TP prefers to Efile the return see IRM 3.42.5.14.5 Forms for 1040 Modernized e-File (MeF) for instructions. 2. If an Installment Agreement is being considered, refer to IRM 5.19.1.6, Methods of Payments to determine and advise the taxpayer if any returns need to be filed prior to granting an IA. 3. If the taxpayer has been given a previous deadline, allow only a 10 day extension (any further extensions must be approved by a manager). Document the additional justification for the second extension and advise the taxpayer that no further extensions will be granted. Note: Once 40 days have elapsed (30 days plus 10 day extension), do not grant further extensions without managerial approval. Advise taxpayer to file return as soon as possible. 4. Advise the taxpayer that failure to file by the specified date could subject them to a possible substitute for return processing. If the taxpayer states “go ahead and prepare their return”, inform the taxpayer the ASFR program is not a voluntary option. The taxpayer is required to file a return by the deadline set in steps 1 or 3 above. Note: If taxpayer is unable to pay refer to IRM 5.19.17.2.1.3, CNC Unable to Pay - Hardship, to further analyze and verify for CNC criteria, otherwise follow items 5 through 8 below. 5. Warn the taxpayer of potential enforcement action (lien/levy/ASFR) see IRM 5.19.1.7, Warning of Enforcement Action and Enforced Collection. 6. Document AMS to support actions taken: <ul style="list-style-type: none"> • With target date to file “TPPFmmdd” (with mmdd indicating the target date) • Filing status • Number of exemptions • Taxable income • Tax or refund due • provide warning of enforcement actions, see IRM 5.19.1.7, Warning of Enforcement Action and Enforced Collection 7. Enter next case actions: If there are available levy sources: Enter ACS history code: <ul style="list-style-type: none"> • TOE4,XX,CKCMTS (if levy sources available) -or- • OADT,XX,CKCMTS (if levy already issued, but not released in full). • Enter ACS history TOI7,XX,TFQU (No levy sources and does not meet ASFR criteria) Note: (XX stands for the deadline plus 30 days.) IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates.

Note: If you are not trained to work balance due issues, transfer the call or ask the taxpayer if you can have someone return their call. Complete Form 4442 for the TDA issue, and forward to the appropriate area.

- (12) If you are an ACS/ACSS employee, use the following table as a guide to determine the amount of days to allow the taxpayer to file a return:

Circumstance/Complexity	Establish Deadline
Taxpayer has tax forms completed but has not mailed	10 days
Taxpayer has not completed tax forms but has all necessary information for easy filing (no schedules)	10 days
Taxpayer has most tax forms and must file a return with schedules	30 days
Taxpayer is in need of all necessary tax forms	30 days
Taxpayer has multiple returns that should be filed	30 days
Taxpayer has multiple returns to be filed and has no forms or wage information	30 days
Taxpayer has medical hindrance, POA issues, catastrophic event, or needs to reconstruct records	30 days Note: allow more time if the information gathered above shows it is needed, taking into consideration the complexity of the delinquent return(s), and other pertinent circumstances

Note: Allow 60 days for international accounts.

- (13) If you are an ACS employee, advise the taxpayer to:

- “sign and date” the return(s),
- use current address on the return,
- include all required schedules and documents,
- provide a valid fax number and/or mailing address, see IRM 5.19.1.4.4.1(7).

Note: For Non-ACS employees answering the phone provide the appropriate IRS fax number or mailing address, see IRM 5.19.1.4.4.1(7).

Note: Employees can accept tax return(s) through fax while on the telephone with the taxpayer. When the return is received, ensure address is correct and use the faxed received date as the IRS received date. See IRM 5.19.2.6.4.5.12, IMF Response with Original Return. Input the appropriate TC 599 and closing code actions prior to routing the return to the appropriate Submission processing site. If the taxpayer does not have the documents necessary during the telephone contact, follow the mailing procedures above.

- (14) Only when requested/needed, provide the taxpayer with missing income information from IRS internal sources, such as:
- TDI supplement
 - Information Reporting Program (IRP) transcripts (Case Minors Only)
 - Corporate Files On-Line (CFOL) on IMF cases
 - Transcript Delivery System (TDS)
- (15) If necessary, provide the required tax forms or request them through SERP. If the taxpayer has internet access, provide him/her with the IRS website address: <http://www.irs.gov/>. You can also provide the toll-free number to order forms: 1-800-TAX FORM (1-800-829-3676).

Note: On AMS “ELITE” can be used to mail forms directly to the taxpayer’s address on entity.

- (16) In addition to the information you are to provide above, if the delinquency year is less than 3 years old, inform the taxpayer that he or she can file the tax return electronically through an authorized e-File provider. See IRM 3.42.5.14.5, Forms for 1040 Modernized e-File (MeF). Taxpayers will be unable to file during the MeF end of year shutdown, which typically begins in November and lasts until January. See the MeF status page for the dates of the MeF 1040 series shutdown see the link below <https://www.irs.gov/tax-professionals/e-file-providers-partners/modernized-e-file-mef-status-page>

5.19.2.6.4.5.5
(11-28-2022)

**IMF Response Taxpayer
Resides Outside U.S. or
in the U.S. Territory**

- (1) This section gives general guidelines on working notice responses for taxpayers residing outside of the U.S. (foreign address) or who are bona fide residents of a territory [i.e., Commonwealth of Puerto Rico (PR), U.S. Virgin Islands (USVI), Guam (GU), American Samoa (AS), Commonwealth of the Northern Mariana Islands (CNMI)].

Note: Throughout this section, Document AMS or ACS accordingly on all actions taken.

- (2) For taxpayers who work outside of the U.S. during the delinquency year, RD responses are handled in the same normal processing manner, even if taxpayer lived overseas during the delinquency period. Use normal processing procedures to code and prepare secured tax returns for processing. See IRM 5.19.2.6.4.5.12, IMF Response with Original Return.
- (3) For taxpayers who are bona fide residents of a U.S. territory, special rules apply. Bona fide residents of GU, CNMI, or USVI generally file a single income tax return with the territory tax authority, IRS, or both, depending on their residency and income, see IRM 21.8.1.5, Territories of the United States, for additional information and see Pub 570, Tax Guide for Individuals with Income from U.S. Possessions.

Note: Individuals born in U.S. territory are U.S. citizens, except in the case of American Samoa, where such individuals are U.S. nationals who are treated as U.S. citizens for tax purposes. Many individuals residing in a territory are permanent residents of the U.S. because they have a “green card” and for tax purposes they are treated the same as U.S. citizens.

- (4) Taxpayers who are bona fide residents of PR or AS may need to file separate returns with both the territory tax authority and the IRS, see IRM 21.8.1.6,

Puerto Rico or IRM 21.8.1.10, American Samoa, and see Pub 570, Tax Guide for Individuals with Income from U.S. Possessions, for additional information. If a return is due to the IRS, send case to ACI International. See para (7) below.

- (5) For all cases showing a foreign address, even if they live in a U.S. territory , make any entity changes to reflect the foreign address and location code. Input a TC 030 with Document Code 63 on CC ENREQ to identify the taxpayer as living outside the U.S.
- (6) If response indicates a foreign address and the Last Return Amount (LRA) meets criteria for “Little or No Tax Due”, see IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due. Do not send the response to ACI International.
- (7) If response indicates a foreign address and the LRA exceeds criteria for “Little or No Tax Due”, and they do not live in a U.S. territory , send the case to ACI International. Internal Revenue Service, Mail Stop 4-N31.143, 2970 Market St., Philadelphia, PA 19104 using Form 3499. Input appropriate delays using cc ASGNI. Send Letter 86C to advise the taxpayer of the transfer. See paragraphs 9 and 10 below for residents of a U.S. territory.
- (8) If taxpayer is a bona fide resident of GU, CNMI or NMI, or USVI or VI, process as follows:

Note: See specific procedures for each U.S. territory stated above; see IRM 21.8.1.7, U.S. Virgin Islands, IRM 21.8.1.8, Guam, and IRM 21.8.1.9, Commonwealth of the Northern Mariana Islands.

If	And	Then
Bona Fide Resident of a specified U.S. territory during delinquent year,	Self-employed	<ol style="list-style-type: none"> 1. Change filing requirement to 1040SS (MFT 30, FR 06). 2. Send a Letter 2269C to request a Form 1040-SS return. 3. Do not forward the case to ACI International.
Bona Fide Resident of a specified U.S. territory during delinquent year,	Not self-employed	<ol style="list-style-type: none"> 1. Input TC 590 cc 076/026/021. Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview, for guidance. 2. Do not forward the case to ACI International.
Taxpayer NOT liable for U.S. Form 1040 if taxpayer is a bona fide resident and filed return with Guam or CNMI,	Credit is present on the account	Follow procedures in IRM 5.19.2.6.7, Credit Balance Overview.
Taxpayer NOT liable for U.S. Form 1040 if taxpayer is a bona fide resident and filed return with VI.	Credit is present on the account	<ol style="list-style-type: none"> 1. Route the case to ACI International at PSC (address shown in paragraph 7 above), using Form 3499. 2. Send a Letter 86C to advise the taxpayer of the transfer.
Taxpayer IS liable for U.S. Form 1040 (i.e. taxpayer was a resident of the U.S. and not a bona fide resident of the U.S. territory).	Original return is secured	<ol style="list-style-type: none"> 1. Input TC 599 cc 094/096 (CSCO/AM), 0440/046 (ACS/ACSS), 20/21 (FA) and forward return to Austin Submission Processing. Note: Do not forward to ACI International area. 2. Send a Letter 86C to advise taxpayer the return was forwarded to another area for processing.

If	And	Then
Taxpayer IS liable for U.S. Form 1040 (i.e. taxpayer was a resident of the U.S. and not a bona fide resident of the U.S. territory).	Taxpayer states the return has already been filed	<ol style="list-style-type: none"> 1. Verify if return was filed as stated, if no return has been previously processed, see IRM 5.19.2.6.4.5.12, IMF Response with Original Return. 2. For cases in Notice Status 02, input "C08" using CC ASGNI .

Note: Tax forms used by some territories may be identical or similar to IRS forms. Taxpayers may be using a U.S. Form 1040 to file a territorial income tax return, with the U.S. territory. Do **not** process the return as a U.S. return if taxpayer is not liable (this includes a copy of a return filed in a territory).

- (9) If taxpayer sends in an original tax return for a year that he or she is not liable, and the return was intended to be filed with the tax office of the U.S. Territory, send the return to the appropriate address:

Department of Revenue and Taxation Government of Guam PO Box 23607
GMF, GU 96921

Division of Revenue and Taxation Commonwealth of the Northern Mariana Islands PO Box 5234, CHRB Saipan, MP 96950

Virgin Islands Bureau of Internal Revenue 6115 Estate Smith Bay Suite 225
St. Thomas, USVI. 00802

- (10) Process RD response if it indicates the following:

If	And	Then
NOT self-employed and NOT employed by U.S. Government	No income from sources outside PR or AS	<ol style="list-style-type: none"> 1. Input TC 590 with appropriate closing code. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview, for guidance.</p> <p>Do not forward the case to ACI International.</p>
NOT self-employed and NOT employed by U.S. Government	Income from sources outside PR or AS	<ol style="list-style-type: none"> 1. Send a Letter 2269C or other appropriate letter to request a return. 2. For cases in Notice Status 02, input "C08" using CC ASGNI. 3. Do not forward the case to ACI International.
Self-employed bona fide resident of PR with \$400 or more of net self employment earnings	Intentionally left blank	<ol style="list-style-type: none"> 1. Liable for 1040PR or 1040SS. Change FR to 07. 2. Send a Letter 2269C or other appropriate letter to request a return. 3. For cases in Notice Status 02, input "C08" using CC ASGNI. 4. Do not forward the case to ACI International.
Self-employed bona fide resident of AS with \$400 or more of net self employment earnings	Intentionally left blank	<ol style="list-style-type: none"> 1. Liable for 1040SS. Change FR to 0. 2. Send a Letter 2269C or other appropriate letter to request a return. 3. For cases in Notice Status 02, input "C08" using CC ASGNI. 4. Do not forward the case to ACI International.
Income from U.S. Government source	Whether it is earned on or off the island	<ol style="list-style-type: none"> 1. Send a Letter 2269C or other appropriate letter to request a return. 2. For cases in Notice Status 02, input "C08" using CC ASGNI. 3. Do not forward the case to ACI International.

5.19.2.6.4.5.6
(11-28-2022)

**IMF Response Taxpayer
Deceased**

- (1) This section provides general guidance for handling decedent RD modules. All procedures apply to contacts via telephone, correspondence or in person, unless otherwise noted. All information secured and/or actions taken must be documented in AMS. If original documents are received, make copies and return the originals to the provider.
- (2) Refer to IRM 11.3.2.4.11, Deceased Individuals, Disclosure of Official Information, for additional guidance.
- (3) The fiduciary must file the decedent's final income tax return for the year of death and any returns not filed for preceding years. The decedent's income up to date of death is includible on a Form 1040. The fiduciary is the person who is legally entrusted with the assets or powers of another; in the case of a decedent, this person may be a survivor, executor or administrator.
- (4) If a decedent case has previously been identified, the account should contain one or more of the following:
 - DECD in the name line
 - Date of Death on CC INOLES
 - TC 540 on CC TXMOD or CC IMFOLT for the year of death
 - Mail File Requirements (MFR 08) on CC ENMOD

Note: Research the account for a Criminal Investigation (CI) Z freeze. If present, route the death certificate attached to Form 4442 to the campus indicated on the DLN of the TC 914, 916, or 918. If you are speaking to a third party on the telephone, secure the information listed in proceeding paragraph below and send this to CI.

If ...	And ...	Then ...
If you contacted the third party by phone or a telephone call is received from a third party	The delinquent return will result in a potential balance due, or there is an associated balance due module on the account	<ol style="list-style-type: none"> 1. Determine if there is an Estate and/or fiduciary for the decedent taxpayer. 2. Research CC INOLE with definer S or G for an established estate. 3. If no information is located through research, attempt to secure the following information: <ul style="list-style-type: none"> Note: AM phone employees need to ask if this information can be faxed while the taxpayer is on the line. Employees should ask for the information below and enter the information on AMS or IDRS history. A fax should be sent to substantiate the information is complete and correct. If not, the taxpayer will need to submit the information in writing along with a letter explaining the situation or call back when the information can be faxed. • Date of death. <ul style="list-style-type: none"> Note: If a date of death is not present on CC INOLE , attempt to secure a copy of the death certificate. • County in which the taxpayer died. • County in which the taxpayer resided at the time of death. • Ask if an Estate has been established , secure the EIN if applicable and whether Form 1041 is required. • Name, address, telephone number of the fiduciary (executor or administrator). • Name and telephone number of the third party providing the information if different from the fiduciary for documentation purpose. • If the case is a combo account (balance due & return delinquency), refer to IRM 5.19.1.5.3, Deceased Taxpayers for guidance. • All information secured and/or actions taken must be documented on AMS. <p>Note: If it is determined based on IRPTRJ the TDI module(s) meet Little or No Tax Due and there is no associated balance due module, close that module appropriately including updating date of death, if secured. It is not necessary to request the additional documentation listed above.</p> <p>Note: For HINF cases, see IRM 5.19.2.8.6, HINF - Deceased Taxpayers.</p>

If ...	And ...	Then ...
Correspondence is received indicating the taxpayer is deceased	Internal research does not verify date of death	Attempt to call the responder (if a number is available) to secure the above information or documentation
Correspondence is received indicating the taxpayer is deceased	no telephone number is available or the phone contact was unsuccessful	<ol style="list-style-type: none"> 1. Send the taxpayer a Letter 2268C or appropriate letter requesting the above documentation 2. For modules in Notice Status 02, input a C08 using CC ASGNI.
Correspondence is received indicating there is no estate, the estate is closed	In Notice Status Code 02 and/or there is no executor,	Document AMS comments and input CC ASGNI(A)
death certificate is received either by fax or correspondence	There is no (Z) freeze for CI	<ol style="list-style-type: none"> 1. There is no (Z) freeze for CI input a TC 540 using CC REQ77 for the year of the taxpayer's death, (for example: If the taxpayer died in 2012, the TC 540 would be input on the 2012 module, closing filing requirements after that year.) if there is no TC 540 input, unless it is the current year and there is a filing requirement. Note: If an original death certificate is secured, Document entity with the information and return the original to the sender. Tell taxpayer's to send copies only so we don't have to send back originals. Faxed and copies can be destroyed. 2. Ensure the name line is updated in the year of death or the TC 540 will cause an Unpostable condition. Ensure the first name line is addressed to the deceased taxpayer, and the second name line to the surviving spouse or representative. Refer to IRM 5.19.1.5.3.2, Deceased Taxpayers- Entity Changes, for procedural guidance on entity changes/updates.
If there is an indication of an estate	Intentionally left blank	Request the EIN for the estate and or a copy of the Form 1041, if applicable.
HINF Select Code	Intentionally left blank	<p>See IRM 5.19.2.8.6, HINF- Deceased Taxpayers.</p> <p>Note: Under no circumstances should a HINF deceased taxpayer case be closed with a TC 59X, until verification has been secured that the income reported for the year of death or prior, has been reported on another return (i.e. spouse, estate income tax return Form 1041, etc.).</p>

(5) For Decedent Stand Alone TDI case processing only, the following scenarios may be encountered;

- Income may be distributed to a decedent in the year of death or the year(s) after death. The surviving spouse may choose to include the

decedent's income on a joint return in the year of death. The decedent's income up to date of death is includible on a Form 1040. After the taxpayer's death they are required to file Form 1041. For subsequent years the decedent's income must be reported on Form 1041.

- If there is no surviving spouse or the surviving spouse chooses to file separately, they must file the decedent's final income tax return for the year of death. The decedent's income up to date of death is includible on a Form 1040. After the taxpayer's death they are required to file Form 1041, to report gross income of \$600 or more.

Note: The date of death determines the end of the decedent's tax year and the beginning of the estate's tax year.

- With respect to income earned on assets that were already distributed to beneficiaries, those income amounts would be reported on the individual returns of the beneficiaries receiving the income.
- If the income is received by the estate and later distributed through the estate to heirs, generally it would be reported on the Form 1041 of the estate. If the income is taxable distributable net income the estate will receive an income tax deduction for distributions of this income to the heirs. The heir will report the income on their Form 1040 and pay the tax on the distributed income. Estate income will be reported under the EIN and reflected on IRPTR.

Note: For more information see IRM 5.5.1.8, Filing Compliance, or Pub 559, Survivors, Executors, and Administrators.

- (6) If the taxpayer died **during or after** the delinquent year, take the following actions:

If	And	Then
Based on IRPTRJ, the tax liability meets the requirement for "IMF Little or No Tax Due". See IRM 5.19.2.6.4.5.3.2 If IRPTRJ is not present, then use available tools.	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. Input TC 590 cc 077 using CC FRM49 only on the delinquent years that meet the requirement for little or no tax due. 3. Input TC 591 cc 075 using CC FRM49 on year following the taxpayer's death. Note: If a credit balance remains on the account, you must follow all credit balance procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 4. Document AMS of closing actions including date of death and tax computation from IRPTRJ.
Based on IRPTRJ, the tax liability meets the requirement for "IMF Little or No Tax Due". See IRM 5.19.2.6.4.5.3.2 If IRPTRJ is not present, then use available tools	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. Input TC 590 cc 027 using CC FRM49 only on the delinquent year(s) that meet the requirement for little or no tax due. Note: ACS/ACSS Managers have the option to enter history code RD90,27 or return to employee to input on IDRS. 3. Input TC 591 cc 025 using CC FRM49 on the year following taxpayer's death. Note: Reminder, if a credit balance remains on the account, you must follow all credit research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 4. Document AMS of closing actions including date of death and tax computation from IRPTRJ. 5. If the account is on ACS, enter history code "TOC0,30,RDPND" or "TOS0,30,RDPND".
Based on IRPTRJ, the tax liability meets the requirement for "IMF Little or No Tax Due". See IRM 5.19.2.6.4.5.3.2 If IRPTRJ is not present, then use available tools	For FA employees,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on year of death. 2. Input TC 590 cc 020 using CC FRM49 only on the delinquent year(s) that meet the requirement for little or no tax due. 3. Input TC 591 cc 020 using CC FRM49 on the year following taxpayer's death. Note: Reminder, if a credit balance remains on the account, you must follow all credit research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 4. Document AMS of closing actions including date of death and tax computation from IRPTRJ. 5. If the account is on ACS, enter history code "TOC0,21,RDPND" or "TOS0,21,RDPND" .

If	And	Then
Based on IRPTRJ, the tax liability meets the requirement for "IMF Refund Due". Per IRM 5.19.2.6.4.5.2. If IRPTRJ is not present, then use available tools.	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. Input TC 590 cc 078 using CC FRM49 on the delinquent years. 3. Input TC 591 cc 075 using CC FRM49 on year following the taxpayer's death. Note: If a credit balance remains on the account, you must follow all credit balance procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 4. Document AMS of closing actions including date of death and tax computation.
Based on IRPTRJ, the tax liability meets the requirement for "IMF Refund Due". Per IRM 5.19.2.6.4.5.2. If IRPTRJ is not present, then use available tools.	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. Input TC 590 cc 028 using CC FRM49 on the delinquent year(s). Note: ACS/ACSS Managers have the option to enter history code RD90,28 or return to employee to input on IDRS. 3. Input TC 591 cc 025 using CC FRM49 on year following taxpayer's death. Note: Reminder, if a credit balance remains on the account, you must follow all credit research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 4. Document AMS of closing actions including date of death and tax computation. 5. If the account is on ACS, enter history code "TOC0,30,RDPND" or "TOS0,30,RDPND".
Based on IRPTRJ, the tax liability meets the requirement for "IMF Refund Due". Per IRM 5.19.2.6.4.5.2. If IRPTRJ is not present, then use available tools.	For FA employees	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on year of death. 2. Input TC 590 cc 020 using CC FRM49 on the delinquent year(s). 3. Input TC 591 cc 020 using CC FRM49 on year following taxpayer's death. Note: Reminder, if a credit balance remains on the account, you must follow all credit research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 4. Document AMS of closing actions including date of death and tax computation. 5. If the account is on ACS, enter history code "TOC0,21,RDPND" or "TOS0,21,RDPND"

If	And	Then
Based on IRPTRJ, the tax liability exceeds the requirement for "IMF Little or No Tax Due" refer to IRM 5.19.2.6.4.5.3.2. If IRPTRJ is not present, then use available tools.	For CSCO, and AM Employees,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. If the TIN or EIN is not provided on the death certificate or by the fiduciary, then research IDRS CC NAMEE or NAMES to secure a possible TIN/EIN. 3. If an EIN is found, research CC BMFOL to verify a Form 1041 return has been filed. If the return is filed for the period after death, input a TC 591 cc 075 on the deceased taxpayer's delinquent module. Notate the cross reference TIN on AMS. A return is required to be filed for the year of death, after death the 1041 is filed. 4. If a cross reference SSN is found, research CC IMFOL to verify a return has been filed. If the return is filed, input a TC 591 cc 075 on the deceased taxpayer's delinquent module on the year after death. Note: Reminder, if a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 5. If no return was filed and a telephone number is provided, attempt to call the responder before sending a Letter 2268C. Note: AMS must be annotated that telephone contact has been attempted before sending a letter. 6. If you reach the survivor/executor, follow the procedures above in paragraph 4 (above the If And Then chart). 7. If you contact by telephone and based on IRPTRJ you determine the taxpayer is not liable for a return, see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements). 8. Input TC 591 cc 075 on the year following the taxpayer's death. Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview. 9. If you contact by telephone and determine the taxpayer is liable for a return, request survivor/executor to file all delinquent tax returns and a copy of the death certificate if it was not previously obtained or CC INOLES does not show a date of death. 10. In addition, provide the fiduciary with return and mailing instructions per IRM 5.19.2.6.4.5, IMF - Determining Liability. Provide IRP income if necessary send individual IRP documents. 11. If unable to contact by telephone, send Letter 2268C, requesting all delinquent returns be filed. Input a delay "C08" using CC ASGNI, if appropriate. 12. Input a delay "C08" using CC ASGNI. See IRM 5.19.2.6.1.1, Accelerate and/or Delay To TDI Status 03, for guidance on inputting delay.

If	And	Then
Based on IRPTRJ, the tax liability exceeds the requirement for "IMF Little or No Tax Due" refer to IRM 5.19.2.6.4.5.3.2. If IRPTRJ is not present, then use available tools.	For ACS and ACSS employees	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per CC INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. If the TIN or EIN is not provided on the death certificate or by the fiduciary , then research IDRS CC NAMEE or NAMES to secure a possible TIN/EIN. 3. If an EIN is found, research CC BMFOL to verify a return has been filed. If the Form 1041 return is filed for the period after death, input a TC 591 cc 025 on the deceased taxpayer's delinquent module and notate the cross reference TIN on AMS. Notate the cross reference TIN on AMS. A return is required to be filed for the year of death, after death the 1041 is filed. 4. If a cross reference TIN is found, research CC IMFOL to verify the return has been filed . If the return is filed, input a TC 591 cc 025 on the deceased taxpayer's delinquent module on the year after death. and notate the cross reference TIN on AMS. 5. If no return was filed and a telephone number is provided, attempt to call the responder. If you reach the survivor/executor, follow the procedures above in paragraph 4 (above the If And Then chart). Exception: ACS employees continue to 11 below to complete case. Note: AMS must be annotated that telephone contact has been attempted before sending a letter. 6. If you contact the fiduciary by telephone and determine the taxpayer is not liable for a return, see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements). 7. If you contact the fiduciary/executor/Administrator by telephone and based on IRPTRJ you determine the taxpayer is liable for a return, request all delinquent tax returns be filed. Provide IRP income if necessary send individual IRP documents (Case Minor records) only. See IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable for any additional procedures. 8. If unable to contact the fiduciary by telephone, send Letter 2268C, requesting all delinquent returns be filed and a copy of the death certificate if it was not previously obtained or CC INOLES does not show a date of death. 9. If a fiduciary exists, input name, address and telephone number. If an estate exists, input type of assets, court location, and docket number of the proceeding in a narrative on AMS. If the account is on ACS, input history code "TOR4,45,DECD ".For all HINF select codes, if the account is on ACS, input history code "TOR4,45,CMMTS ".

If	And	Then
		<p>10. Document AMS of all pertinent information, including any applicable information listed below:</p> <ol style="list-style-type: none"> Cross reference TIN if Form 1041 filed, Name and contact information of the fiduciary, including: <ul style="list-style-type: none"> date of death county in which the taxpayer died county in which the taxpayer resided, request if taxpayer owned property at time of death, and county of property and estimated value of property. <p>11. If after the expired follow up date has passed and the taxpayer's income was not reported by the fiduciary, spouse, or benefactor, determine if the case meets ASFR referral criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return (ASFR) Referrals.</p> <p>12. If the account is on ACS, enter history code "TFRO,AOTO8000".</p> <p>13. If the case does not meet ASFR criteria, see IRM 5.19.5.7.4, I7 - Transfers Actions, for procedures to transfer to the queue.</p> <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

If	And	Then
Based on IRPTRJ, the tax liability exceeds the requirement for "IMF Little or No Tax Due" refer to IRM 5.19.2.6.4.5.3.2. If IRPTRJ is not present, then use available tools.	For FA employees.	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. If the TIN or EIN is not provided on the death certificate or by the executor/administrator, then research IDRS CC NAMEE or NAMES to secure a possible TIN/EIN. 3. If an EIN is found, research CC BMFOL to verify a return has been filed. If the Form 1041 return is filed for the period after death, input a TC 591 cc 040 on the deceased taxpayer's IMF delinquent module. Notate the cross reference TIN on AMS. A return is required to be filed for the year of death, after death the 1041 is filed. 4. If a cross reference TIN is found, research CC IMFOL to verify a return has been filed. If the return is filed, input a TC 591 cc 040 on the deceased taxpayer's delinquent module on the year after death and notate the cross reference TIN on AMS. 5. If no return was filed and a telephone number is provided, attempt to call the responder. If you reach the fiduciary follow the procedures above in paragraph 4 (above the If And Then chart). Note: AMS must be annotated that telephone contact has been attempted before sending a letter. 6. If you contact the fiduciary by telephone and determine based on IRPTRJ the taxpayer is not liable for a return, see IRM 5.19.2.6.4.5.1, IMF Taxpayer Not Liable (Income Below Filing Requirements). 7. Input TC 591 cc 020 on the year following the taxpayer's death. 8. If you contact the Fiduciary by telephone and determine the taxpayer is liable for a return, request fiduciary or spouse to file all delinquent tax returns and a copy of the death certificate if it was not previously obtained or CC INOLES does not show a date of death. Provide IRP income, if necessary. Note: Send individual IRP documents (Case Minor records) only. 9. If unable to contact the fiduciary by telephone, send a Letter 2268C. Requesting all delinquent return(s) to be filed. 10. Document AMS of all pertinent information, including date of death, county in which the taxpayer died, and the county in which the taxpayer resided. 11. If a fiduciary exists, input name, address and telephone number. 12. If an estate exists, document AMS with type of assets/property, estimated value of asset/ proper, court location, and docket number of the proceeding. If the account is on ACS, enter history code "TOR4,45,DECD". For all HINF select codes, if on ACS input history code "TOR4,45,CMMTS". 13. If after the expired follow up has passed and the taxpayer's income was not reported by the fiduciary or spouse, determine if the case meets ASFR referral criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return (ASFR) Referrals. If the account is on ACS, enter history code "TFR0,AOTO8000".

If	And	Then
		<p>14. If the case does not meet ASFR criteria refer to IRM 5.19.5-7 , Field Queue Bypass Criteria (Reference IRM 5.19.5.3.1) for guidance on transferring to the Queue.</p> <p>Note: If a credit balance remains on the account, you must follow all credit balance procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

(7) If the taxpayer died **before** the delinquent year, take the following actions:

If	And	Then
For CSCO and AM employees,	A return has been filed in the year of death under the spouse's SSN,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. If there is an open RD module in the year of death, input a TC 594 CC 084 on the deceased taxpayer's module, notate the cross reference TIN on AMS. 3. Input TC 591 cc 075 using CC FRM49 on the delinquent year. 4. Document AMS of findings and actions taken. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For CSCO and AM employees,	A Form 1041 return has been filed in the year of death,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. Input TC 591 cc 075 using CC FRM49 on the delinquent year, notate the cross reference EIN on the Form 1041. 3. Document AMS with findings and action taken. <p>Note: If a credit balance remains on the account, you must follow credit balance research before closing the module with a TC 590, 591 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For CSCO and AM employees,	A return has not been filed in the year of death under the deceased or spouse's SSN or a Form 1041,	<ol style="list-style-type: none"> 1. After receipt of a death certificate or per INOLES a date of death is obtained, input TC 540 using CC REQ77 on the year of death. 2. Input a TC 591 cc 075 on the delinquent year. 3. Advise that income reported on deceased taxpayer's TIN should be reported under the TIN of the person or entity receiving the income. 4. If telephone number is available, attempt to call the third party before sending a Letter 2268C to the Estate using the address of record, include the IRP supplement. Request all delinquent returns be filed, and a copy of the death certificate if it was not previously obtained or CC INOLES does not show a date of death. 5. Document AMS with findings and action taken. annotate the telephone attempt made before sending the letter. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

If	And	Then
For ACS and ACSS employees,	A return has been filed in the year of death under the spouses SSN,	<ol style="list-style-type: none"> 1. Input TC 540 using CC REQ77 on the year of death. 2. If there is an open RD module in the year of death, input a TC 594 cc 034 on the deceased taxpayer's module and indicate the cross reference TIN/EIN in a narrative on AMS. 3. Input TC 591 cc 025 using CC FRM49 on the delinquent year. 4. Document comments with closing actions including taxpayer's date of death in a narrative on AMS. If the account is on ACS, input history code "TOC0,30,RDPND" or "TOS0,30,RDPND". <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For ACS and ACSS employees,	A Form 1041 return has been filed in the year of death,	<ol style="list-style-type: none"> 1. Input TC 540 using CC REQ77 on the year of death. 2. Input TC 591 cc 025 using CC FRM49 on the delinquent year. 3. Document AMS with closing actions including taxpayer's date of death. If the account is on ACS, input history code, "TOC0,30,RDPND" or "TOS0,30,RDPND". <p>Note: If a credit balance remains on the account, you must follow all credit balance research before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

If	And	Then
For ACS and ACSS employees,	A return has not been filed in the year of death under the deceased or spouse's SSN or a Form 1041,	<ol style="list-style-type: none"> 1. Input TC 540 using CC REQ77 on the year of death. 2. Input a TC 591 cc 025 using CC FRM49 on the delinquent year. Document comments with closing actions including taxpayer's date of death. If account is on ACS, input history "TOC0,30,RDPND" or "TOS0,30,RDPND". 3. Advise that income reported on deceased taxpayer's TIN should be reported under the TIN of the person or entity receiving the income. <p>Note: Step 4 thru 9 are for ACSS employees working correspondence or R4 inventory.</p> <ol style="list-style-type: none"> 4. If telephone number is available, attempt to contact the third party before sending a Letter 2268C to the Estate using the address of record, include the IRP supplement, requesting all delinquent returns to be filed. 5. Document AMS of all pertinent information, including date of death, county in which the taxpayer died, and county in which the taxpayer resided. Annotate the telephone attempt made before sending the letter. Document the following information, if applicable: If a fiduciary exists, document their input name, address and telephone number. If an estate exists, input type of assets/property, estimated value of property/assets, court location, and docket number of the proceeding in a narrative on AMS. If the account is on ACS, enter history code "TOR4,45,DECD" or "OADT,45,DECD (if working R4)". 6. If the follow-up date has expired and the taxpayer's income was not reported by the fiduciary or , spouse, or benefactor, and the net tax exceeds (\$2,500 for a W&I employee's case) or (\$1,500 for an SBSE employee's case), refer the case to Exam. Refer to Exam using a Form 3449 attaching IRP Documents and any other pertinent information. 7. Input a TC 595 cc 032. 8. Document AMS of actions taken. If the account is on ACS, enter history code "TOR4,30,CMNTS" or "OADT,30,CMNTS (if working R4)". 9. If unable to close the account per step 5 above, and the account is on ACS, transfer the case to the QUEUE via "TFQU,AOTO7000". <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

If	And	Then
For FA employees,	A return has been filed in the year of death under the spouse's SSN,	<ol style="list-style-type: none"> 1. Input TC 540 using CC REQ77 on the year of death. 2. If there is an open RD module in the year of death, input a TC 594 cc 023 on the deceased taxpayer's module including the cross reference SSN. 3. Input TC 591 cc 020 using CC FRM49 on the delinquent year. 4. Document AMS of closing actions including taxpayer's date of death. If the account is on ACS, enter history code, "TOC0,21,RDPND" or "TOS0,21,PDPND" . <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
For FA employees,	A Form 1041 return has been filed in the year of death,	<ol style="list-style-type: none"> 1. Input TC 540 using CC REQ77 on the year of death. 2. Input TC 591 cc 020 using CC FRM49 on the delinquent year. 3. Document AMS of actions taken including taxpayer's date of death in a narrative on AMS. If the account is on ACS, input ACS history code, "TOC0,21,RDPND" or "TOS0,21,RDPND" . <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview</p>

If	And	Then
For FA employees,	A return has not been filed in the year of death under the deceased or spouse's SSN or a Form 1041.	<ol style="list-style-type: none"> 1. Input TC 540 using CC REQ77 on the year of death. 2. Input a TC 591 cc 020 on the delinquent year. 3. Advise that income reported on deceased taxpayer's TIN should be reported under the TIN of the person or entity receiving the income. 4. If telephone number is available, attempt to call the third party before sending a Letter 2268C to the estate using the address of record, include the IRP supplement, ask that all delinquent returns be filed. 5. Document comments all pertinent information, including date of death, county in which the taxpayer died, and county in which the taxpayer resided in a narrative on AMS. Annotate the telephone attempt made before sending the letter. 6. If a fiduciary exists, input name, address and telephone number. If an estate exists, input type of assets/property, estimated value of property, court location, and docket number of the proceeding in a narrative on AMS. If the account is on ACS, enter history code "TOR4,45,DECD". 7. If the follow-up date has expired and the taxpayer's income was not reported by the fiduciary or spouse and the net tax exceeds (\$2,500 for a W&I employee's case) or (\$5,000 for an SBSE employee's case) refer the case to Exam via Form 3449 and attach IRP documents and include any other pertinent information. Input a TC 595 cc 032, document in a narrative on AMS. If the account is on ACS, enter history code TOR4,21,CMNTS. 8. If unable to close the account per step 5 above. If the account is on ACS, transfer the case to the QUEUE "TFQU,AOTO7000". <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

- (8) For TDI status 03 cases that have an associated module with a balance due module(s), refer to IRM 5.19.1.5.3, Deceased Taxpayers.

5.19.2.6.4.5.7
(05-27-2016)

**IMF Response Taxpayer
Incarcerated**

- (1) Use this section to determine actions needed on Incarcerated Taxpayer accounts.

If	Then
Taxpayer provides prison address,	<ol style="list-style-type: none"> 1. Document address on IDRS using CC ENREQ including prison identification number. 2. See IRM 5.19.2.6.4.5, IMF Determining Liability, for additional guidance. <p>Note: Tax returns or wage & income documents can be sent to prison addresses when new address is provided by the TP.</p>
Prison address is provided by a third party,	<ol style="list-style-type: none"> 1. If a third party (e.g. practitioner, new occupant, former spouse) provides a new address, DO NOT document Master File until address can be verified by taxpayer or Power of Attorney. 2. Send Letter 3064C or other appropriate letter to the prison address and include Form 8822, Change of Address. <p>Note: Do not send tax returns or wage & income documents to prison addresses on third party contact.</p>
No new address is provided.	Follow procedures in IRM 5.19.2.6.6.2, Third Party Contact and Responses.

5.19.2.6.4.5.8
(11-06-2015)

**IMF Response Federal
Employee/Retiree
Delinquent Investigation
(FERDI)**

- (1) Verify the taxpayer's claim that he or she is not liable to file a tax return by re-searching CC IRPTR or SUPOL.
- (2) Advise the taxpayer of the results of your research.
- (3) Calculate tax based on the filing status and number of exemptions the taxpayer states he or she has, or if you don't have this information, based on one exemption (single or married filing separate).
- (4) Use the table below to determine FERDI liability.

If	Then
Taxpayer is NOT liable to file a tax return (i.e. not enough income to file).	Follow procedures in IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements).
Taxpayer will receive a refund.	Follow procedures in IRM 5.19.2.6.4.5.2, IMF Refund Due.
Return was previously filed under a spouse's TIN.	See IRM 5.19.2.6.4.5.10, IMF Response Taxpayer Previously Filed.
Taxpayer needs help determining income received.	Follow procedures in IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable.
There is a net tax due. Reminder: Always attempt to secure full payment with the return.	Follow procedures in IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable.
The taxpayer indicates they cannot pay the balance due in full.	Follow procedures in IRM 5.19.1, Balance Due.
The income meets the requirements for Little or No Tax Due.	Follow procedures in IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due.

5.19.2.6.4.5.9

(04-23-2021)

IMF Response Taxpayer Will File
(Correspondence Only)

- (1) This section provides guidance for working accounts when taxpayer indicates return will be filed (i.e. records in hands of accountant, waiting for additional information, etc.):

Note: If telephone number is available, attempt to contact the taxpayer before sending a letter as stated below. Document the telephone attempt on AMS. If telephone contact is made, provide the taxpayer with return and mailing instructions per IRM 5.19.2.6.4.5, IMF - Determining Liability, and provide target dates as stated below. If no telephone contact is made, continue to follow procedures shown below:

If	Then
Account is in notice status 02,	<ol style="list-style-type: none"> 1. Send a Letter 2267C or other appropriate letter. Advise the taxpayer that failure to file by the specified date could subject the taxpayer to a fine and/or criminal penalties and a possible Substitute for Return. 2. If the taxpayer provided a date, do not allow more than 60 days. Enter a history item on AMS documenting the target date. 3. If the taxpayer did not provide a date, request they file within 30 days. <p>Note: If the correspondence does not specify a date, do not input mmdd.</p> <ol style="list-style-type: none"> 4. Input a "C08" using CC ASGNI. To accelerate to ACS, see IRM 5.19.2.6.1.1, Accelerate or Delay To TDI Status 03 for guidance. <p>Note: If the account has a subsequent balance due issue, ensure all STAUPs and delays are consistent.</p>
Account is TDI status 03.	<ol style="list-style-type: none"> 1. Send a Letter 2267C or other appropriate letter. Advise the taxpayer that failure to file by the specified date could subject the taxpayer to a fine and/or criminal penalties and of a possible Substitute for Return processing. 2. If the taxpayer provided a date, do not allow more than 60 days. Enter history on AMS documenting the target date. 3. If the taxpayer did not provide a date, request they file within 30 days. For ACS Support employees see IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable, follow the chart in paragraph 5. <p>Note: If the correspondence does not specify a date, do not input mmdd.</p> <ol style="list-style-type: none"> 4. For "ACS-Support" employees only, document AMS comments with information, including the date the taxpayer specified to file. If the account is on ACS, enter history code, "TOI7,XX,TFQU" (XX stands for the deadline plus 30 days). If the account meets ASFR criteria, enter history code "TOI7,XX,ASFR" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates.

- (2) When needed or requested provide taxpayer with missing income information from our internal sources. Use CC IRPTR/SUPOL with the appropriate definer or the TDS system to request income supplements.

Note: Do not edit taxpayer information, per Delegation Order 11-2.

- (3) When needed or requested, provide the required tax forms if available. Tax form requests are available through SERP or intranet. If the taxpayer has access to the internet, inform him/her forms can be found at: <https://www.irs.gov/forms-instructions>. You can provide the Toll Free number for forms 1-800-829-3676.

Note: On AMS, "ELITE" can be used to mail forms directly to the taxpayer's address on entity.

5.19.2.6.4.5.10
(07-14-2017)

**IMF Response Taxpayer
Previously Filed Return**

- (1) The purpose of this section is to assist in locating previously filed returns.
- (2) If the taxpayer indicates he/she was the secondary spouse on a joint return, see IRM 5.19.2.6.5.1, TIN and Entity Problem, Taxpayer Filed as Spouse on Joint Return.
- (3) If the response indicates a return was filed less than ten weeks ago, and your initial research does not indicate a TC 150 has posted, refer to the table below for guidance:

If	Then
Account is in notice status 02,	<ol style="list-style-type: none"> 1. Allow time for the return to post by inputting a delay of 8 weeks, using a "C08" on CC ASGNI. Input of the delay will prevent the module from proceeding to TDI status or delays a subsequent notice. 2. Document AMS of actions taken.
Account is in TDI status 03.	<ol style="list-style-type: none"> 1. For CSCO/AM employees only, enter AMS comments stating the date specified by the taxpayer. 2. For ACS support employees only, document information provided on AMS comments. If the account is on ACS, enter history code "OADT,45,CKCMTS". 3. For ACS call-site or FA employees only, ask the taxpayer for the following information and document on AMS: <ul style="list-style-type: none"> • Date return was filed • Total tax • Amount of tax/refund due (if known by the taxpayer) <p>If the account is on ACS, enter history code "OADT,45,CMNTS".</p>

- (4) If the response indicates a return was filed more than ten weeks ago, research IDRS and follow guidelines below.

If	Then
Review MFT 30 for tax mod in question	<ol style="list-style-type: none"> If TC 971 ac 111 is present <ul style="list-style-type: none"> input TC 594 cc 083 Route all responses that include a return to RICS 6579 AUSC If return sent to RICS input 86C Ltr If you receive correspondence only and no return tell the taxpayer to follow instruction on letter sent by RICS instructing them to authenticate information contained on their 20XX income tax return. Refer to that letter and follow the instructions to complete processing of your income tax return. Destroy the correspondence. If NO TC 971 ac 111 is present, review MFT 32 for the same tax period. If TC 976 is present <ul style="list-style-type: none"> Input TC 594 cc 083 Route all responses that include a return to RICS 6579 AUSC If return sent to RICS input 86C Ltr If you receive correspondence only and no return tell the taxpayer to follow instruction on letter sent by RICS instructing them to authenticate information contained on their 20XX income tax return. Refer to that letter and follow the instructions to complete processing of your income tax return, Destroy the correspondence. If no MFT 32 or TC 971 ac 111 is present, request the return.
Return has posted to module (TC 150),	Take no action.
AP150 or PN150 has posted to the account,	Take no action.
RJ 150 or UNP 150 has posted to the account,	Take no action.
TC 976 or TC 977 posted but no TC 150 present	Route to appropriate AM area for resolution. For more information on TC976/977 with no TC 150 see IRM 21.5.6.4.9, E-Freeze .
Return posted under another TIN or name,	<ul style="list-style-type: none"> See IRM 5.19.2.6.5.1, TIN and Entity Problems, or See IRM 5.19.2.6.5.2, Return Delinquencies Due to Posting Errors.
Return posted to different tax period (same TIN),	<ul style="list-style-type: none"> Transfer to the appropriate Accounts Management Unit and notate on the routing slip "Return posted to incorrect tax period". Input a TC 594 cc 083/033/022.

If	Then
Taxpayer submitted payment with return or cancelled check was submitted and encoder information matches the notice,	<ol style="list-style-type: none"> 1. If the payment is not on the module, follow the procedures in IRM 21.5.7, Payment Tracers. 2. If the procedures for Payment Tracers lead you to an account module with the return posted, then follow the procedures above for a return posted under another TIN, Name or Tax Period. 3. If the payment is on the module, follow the procedures in paragraph 5 below and request a copy of the return from the taxpayer.
Taxpayer submitted payment with return or cancelled check was submitted and encoder information does not match the notice,	<ol style="list-style-type: none"> 1. Research the account module listed on the encoder information (TIN, MFT and Tax Period) to see if the return posted here. 2. If the return did post here, then follow the procedures above for a return posted under another TIN, Name or Tax Period, and follow the procedures in IRM 21.5.7, Payment Tracers. 3. If the procedures for Payment Tracers lead you to an account module with the return posted, then follow the procedures above for a return posted under another TIN, Name or Tax Period. 4. If the procedures for Payment Tracers does not lead you to an account module with the return posted, follow the procedures in paragraph 5 below and ask the taxpayer for a copy of the return.
Return or copy of return.	Process return, see IRM 5.19.2.6.4.5.12, IMF Response With Original Return.

- (5) If the response indicates a return was filed more than ten weeks ago and none of the conditions in paragraph 4 are met, request a copy of the tax return. For more information see IRM 21.4.1.4.1.2, Return Found/Not Processed.
- Attempt to contact by phone or letter. If unable to reach the taxpayer by phone send a letter .
 - Document your actions on AMS. If telephone contact is made, provide the taxpayer with return and mailing instructions in IRM 5.19.2.6.4.5, IMF - Determining Liability.
 - Advise the taxpayer to re-sign and date the return with the current date. In addition, remind the taxpayer to ensure the correct current address is on the return, whether it is a copy or original return.

Proceed with the procedures below.

If	Then
Account is in notice status 02,	<ol style="list-style-type: none">1. Instruct the taxpayer to send a copy of the return and set a deadline of 30 days from the day you are closing the case.2. If unable to contact by phone or taxpayer requests information be sent in a letter, send a Letter 2269C or other appropriate letter to advise the taxpayer we could not find their return and please send us a copy. Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent.3. Enter history on AMS explaining the target date provided to the taxpayer to file their copy.4. Input delay "C08" using CC ASGNI, see IRM 5.19.2.6.1.1, Accelerate or Delay to TDI Status 03. Note: If also working a balance due issue, make sure any STAUPs and delays are equal.

If	Then
Account is in TDI status 03.	<ol style="list-style-type: none"> 1. Instruct the taxpayer to send a copy of the return and set a deadline of 30 days from the day you are closing the case. 2. If unable to contact by phone or taxpayer requests information be sent in a letter, send a Letter 2269C (use LT26 if account in question is on ACS) or other appropriate letter to advise the taxpayer we could not find their return and please send us a copy. Exception: If you are talking to the taxpayer on the phone, you do not have to send a letter unless the taxpayer requests one is sent. Note: If you send an LT26 letter, it automatically sets a 10 day deadline. 3. Enter history on AMS documenting the deadline date provided to the taxpayer to file their copy. 4. For "ACS/FA/ACSS" employees only, document the information secured along with the deadline date for filing on AMS comments. See steps 5 & 6 for appropriate ACS closing code. 5. If the case meets ASFR criteria, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return (ASFR) Referrals. If account is on ACS, enter history code, "TOI7,XX,ASFR" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates. 6. If the case does not meet criteria for ASFR, see IRM 5.19.2.6.4.3, IMF automated Substitute for Return Program (ASFR) Referrals. If the account is on ACS, enter ACS history code- "TOI7,XX,TFQU" (XX stands for the deadline plus 30 days). IRM 5.19.2.2.1, Return Delinquency Overview, for information on determining follow-up dates.

5.19.2.6.4.5.11
(01-16-2015)
**IMF Response
Insufficient**

- (1) This section pertains to written responses that are insufficient to resolve.
- (2) When additional information is needed to resolve the case, determine if the taxpayer is liable or not, see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements) or see IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable.
- (3) If the notice response is blank or has only a signature, follow the direction below.

If	Then
Account is in notice status 02,	<ol style="list-style-type: none"> 1. Input a delay "C08" using CC ASGNI. To accelerate account to ACS or to delay to next status, see IRM 5.19.2.6.1.1, Accelerate or Delay To TDI Status 03, for guidance. (Do not delay PC-B notices.) <p>Note: This delay code will allow any detached information to post before the next notice cycle.</p> <ol style="list-style-type: none"> 2. Destroy the notice.
Account is in TDI status 03.	Destroy the notice.

- (4) If taxpayer is in bankruptcy, see IRM 5.19.2.6.4.1, IMF Special Handling, for processing procedures.

5.19.2.6.4.5.12
(02-15-2022)

**IMF Response with
Original Return**

- (1) This section provides the instructions to process original delinquent taxpayer returns. CSCO employees may receive a tax return requested from a RD CP notice correspondex letter, or requested from telephone contact. These are all batched as "IMF TDI Returns". If return is a statute year see note below.
- (2) Per IRM 3.11.154.3.6, Statute Returns, and IRM 25.6.1.8, Original Delinquent Returns, it is not necessary to send delinquent **original** returns to the Statute Control Unit prior to being sent for processing if the return is the "**initial**" original return secured and we have coded the return with a TC 59X or we secured return(s) prepared under the authority of IRC 6020(b).
- (3) The following **exceptions** are types of tax returns that need to be routed to the Statute Control Unit:
 - tax return being **reprocessed** with an "Original IRS Received Date"
 - a **reprocessed** tax return for a different tax period
 - a previous TC 610 payment on a statute year module and no indication a return was previously processed
 - **credits/payments previously moved to Excess Collection (XSF)**, see IRM 25.6.1.8.4 (6), Processing Original Delinquent Returns
 - previous unpostable condition on the module (DC/DU 150, DC 976, etc.,) and the original return has not been processed and is more than 33 months from it's original received date. Forward to Statute Unit requesting a quick assessment
- (4) See IRM 5.19.2.6.4.1, IMF Special Handling, for special situations such as bankruptcy, criminal investigation, etc. before continuing to paragraph 3.
- (5) Review original returns for any of the following conditions, and take the appropriate actions:

Note: A faxed return is considered an original filed return.

If	Then
1. The taxpayer files a potential frivolous (lacking a legal basis or legal merit, not serious, not reasonably purposeful) return, see IRM 3.11.3.6.1.6, Frivolous Filer/Non Filer Returns, for referral criteria. If the case meets "frivolous filer" criteria,	<ol style="list-style-type: none"> 1. Input TC 595 cc 082/032 and route to: Ogden Compliance Services ATTN: FRP, MS 4450 1973 N. Rulon White Blvd. Ogden, UT 84404 2. Document AMS comments with pertinent information. 3. For "ACS/Field Assistance/ACS-Support" employees only, if account is on ACS, enter history code "TOR3,30,CMNTS". 4. Notate on correspondence or return, "Already seen by Collections (CSCO or ACSS)" before routing.
The taxpayer sends in a return that just states they had no income, no tax due, or not liable,	Prepare the return for processing per guidelines in paragraph 4 below.
A TC 150 is already on the account.	See IRM 5.19.2.6.4.5.13, IMF Response with Copy of Return(s).
ASFR (ASGNI 8000) or "-L" Freeze (TC 420) present	Follow IRM 5.19.2.6.4.5.12.1, IMF Response with Original Return ASFR or -L Freeze Present.
TIN, name, tax period and/or MFT on the return do not match the attached CP notice or open TDI. Example: Joint return being filed under primary SSN, but open TDI is for secondary SSN.	Follow IRM 5.19.2.6.4.5.12.2, IMF Response with Original Return Does not Match CP Notice.
If return is unsigned	Follow IRM 5.19.2.6.4.5.12.3, IMF Response with Original Return Unsigned.
The taxpayer requests an Installment Agreement(IA) or CNC, either attached to the return or as documented in AMS history	Process per IRM 5.19.1, Balance Due and proceed to paragraph 6 for coding and preparing the return for processing. If you do not have the training required to do an IA request, route to the appropriate area for resolution.
None of the conditions above apply	Proceed with directions in following paragraphs.

- (6) If none of the above conditions are present and the return is signed appropriately, **code and prepare all** secured return(s) for processing per the table below.

Note: Use CC FRM49 with a block indicator of “**BB**” to generate block series 74 for **all TC 594 and 599** transactions.

If	And	Then
Taxable return (return shows a tax liability before prepaid credits)	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Input a TC 599 cc 094. 2. Document AMS with: <ul style="list-style-type: none"> • Date the return was filed • Balance due or refund amount • Full paid or IA request. Make sure you notate what they are asking for in the IA request on AMS.
Taxable return (return shows a tax liability before prepaid credits)	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Input a TC 599 cc 044. 2. Document AMS with: <ul style="list-style-type: none"> • Date the return was filed • Balance due or refund amount • Full paid or IA request. Make sure you notate what they are asking for in the IA request on AMS. 3. If the account is on ACS, enter history code “OADT,30,599044 ”.
Taxable return (return shows a tax liability before prepaid credits)	For FA employees,	<ol style="list-style-type: none"> 1. Input a TC 599 cc 024. 2. Document AMS with: <ul style="list-style-type: none"> • Date the return was filed • Balance due or refund amount • Full paid or IA request. Make sure you notate what they are asking for in the IA request on AMS. 3. If the tax module is on ACS, enter history code “OADT,21,599024”.
Non-taxable return (Return shows no tax liability before prepaid credits)	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Input a TC 599 cc 096. 2. Document all closing actions including amount of refund on AMS.
Non-taxable return (Return shows no tax liability before prepaid credits)	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Input a TC 599 cc 046. 2. Document closing actions including amount of refund on AMS. 3. If the account is on ACS, enter history code “OADT,30,599046 ”.
Non-taxable return (Return shows no tax liability before prepaid credits)	For FA employees.	<ol style="list-style-type: none"> 1. Input a TC 599 cc 021. 2. Document AMS of actions taken, including amount of refund. 3. If the tax module is on ACS, enter history code “OADT,21,599021 ”.

Reminder: If the return is unsigned and the taxpayer's signature is on Form 15103, Form 8879, any RD notice or an appropriate letter with jurat statement then attach it to the back of the return and forward for processing. Annotate **"TDI complete, Notice/Correspondence attached for signature only"** on the signature line of the Form 1040.

Note: If Form 8879 is attached, it must contain a valid original signature and there is an indication of rejected electronic filing or return is a prior year. See IRM 3.11.3.14.5 Signature, for more information.

- (7) Code the appropriate TC 59X code in the left margin of the return. Include **"Process as Original or PAO"** at the top center margin of all **"SIGNED"** returns.

Reminder: If you received a faxed return, use the date on the fax for the IRS received date. Notate on the return, **"Process as Original or PAO"**. Code the date on the fax in red ink on the front page of the return. Send the return on Form 3210 to the Submission Processing center for processing. If a MFT 32 is on the module send return to RICS 6579 AUSC and issue 86C letter

- (8) All editing must be done in "Red" pen/pencil only. If the signature is not on the jurat signature line(s) and is shown in the "Third Party Designee or Preparer's" signature area, this does not constitute a valid signature, therefore process as an unsigned return as stated in IRM 5.19.2.6.4.5.12.3, IMF Response with Original Return Unsigned.

Note: If utilizing "Process as Original or PAO" labels ensure they are placed in the top center margin and **do not** cover any part of the dollar sign (on left side) or DLN (on right side).

- (9) Other coding and editing you should address before sending to process:

If ...	Then ...
If the taxpayer requests relief from <ul style="list-style-type: none"> • Failure to File, • Failure to Pay, • Failure to Deposit penalties due to reasonable cause or • Deceased 	<ul style="list-style-type: none"> • Put this information on a note and attach to the front of the return, to inform "Code and Edit" this type of request from the taxpayer is attached to the return. • Do not input any Computer Condition Codes (CCC) on the return. Document AMS regarding request for adjustment due to Reasonable Cause.

If ...	Then ...
<p>Perfecting the entity (correct and complete the SSN, name, address, or tax period) if necessary, in red pen/pencil for additional editing procedures, see IRM 3.11.3.9, Taxpayer Identification Information.</p>	<ul style="list-style-type: none"> Verify an acceptable IRS received date is present. See IRM 3.11.3.8.2.1, Types of Received Dates. Acceptable received dates include IRS campus date stamps with the word “received” to include Accounts Management, Collections, or other valid IRS organizations. If any of these dates are present there is no need to edit the received date in red ink on the front page of the tax return. If there is no IRS received date, see IRM 3.11.3.8.2, Determining the Received Date, to help determine the date to code in red ink on the front page of the tax return. If the secured return is an original return (not a signed copy) and the address on the return does not match what is on the Master File, Document Master File using CC ENREQ, if it is determined that the return has the most current address. Example: Many times a taxpayer will use their address at the time of the return period, which might not be their current address, especially when sending copies of a return that you are processing as an original. Research the Master File to see if the address matches. If the Master File shows a different address, determine which address is more current by checking for a return address on the envelope or correspondence. Perfect the Entity on the return per the most current address. If the return is a copy of the original and Master File shows a more current address, edit the return to match Master file.

If ...	Then ...

#

- (10) If the taxpayer provides a telephone number on a response to a CP 59 / CP 516 /CP 518 notice, tax return, or RD correspondence, update ENMOD with the new telephone number.
- (11) If the taxpayer indicates “**copy**” on the return and you are sending the return to a Submission Processing center as the original, circle out the word “**copy**” on the return.

Note: If any type of return is forwarded to another IRS Center for processing, all return delinquency issues and coding, along with the preparation of the return for processing must be completed at the receiving site, and only the “Return” is sent to the Submission Processing center for processing.

- (12) If more than one return is secured, such as a balance due and refund return, **attach a** Form 13133 to the “balance due” return to ensure the balance due tax return is processed and/or expedited prior to the refund due return.

Note: The intent of this requirement is for the balance due return to post prior to allow the refund return(s) to offset to the balance due return. Refer to IRM 5.1.11.5, Secured Returns for additional guidance.

- (13) If the taxpayer requests an installment agreement (IA) or CNC, refer to IRM 5.19.1, Balance Due. If you do not have the training required to do an IA or CNC request, route to the appropriate area for resolution.
- (14) If the taxpayer response is for backup withholding, see IRM 5.19.2.6.4.4, Backup Withholding - C (BWH-C) Inquiries.

Note: Refer the backup withholding issue “**only**” to the appropriate W&I or SBSE site per IRM 5.19.2.6.4.4, Backup Withholding - C (BWH-C) Inquiries.

- (15) Once all necessary actions are completed, send the return for processing. See SERP - *Where to File* for location information.

5.19.2.6.4.5.12.1
(05-03-2019)

**IMF Response with
Original Return ASFR or
-L Freeze Present**

- (1) Refer all ASFR (ASGNI 8000) or “-L” Freeze (TC 420) responses with:
- TC 150 for \$.00 with the literal “SFR”, Tax Class 2/ Doc code 10, and Julian date 887 in the DLN or the tax return shows “ASFR” on top of the tax return, , whether or not a TC 290 has posted to the account. To find the appropriate ASFR or ASFR Recon site, see IRM 5.19.2.6.4.3, IMF Automated Substitute for Return Program (ASFR) Referrals.
 - The julian date is 888, or it may have become an Exam case if it has julian date 887 with an -L freeze, open TC 420 and TC 150 for \$.00 with the literal “SFR”, with Tax Class 2/ Doc Code 10 in the DLN to **Exam function**. See IRM 5.19.2.6.4.2, IMF Examination Referrals, for additional guidance.

Note: If a joint return is received and the primary TIN has no ASFR (ASGNI 8000) or -L (TC 420) SFR, however there is ASFR (ASGNI 8000) or -L freeze on the **secondary TIN**, continue perfecting the return for processing, shown below. Make a photocopy of the return to send to ASFR or Exam function (see appropriate IRM sections on referrals as stated above). You must indicate on the referral that the original return was sent for processing and a photocopy of the return is being provided for further action for the **open ASFR (ASGNI 8000) or -L (TC 420) SFR on the secondary TIN**.

- If a TC 150 for .00 with a tax class and document code of 210 in the DLN 887 in the julian date, and the literal “SFR” to the right of the TC 150, posted to MF and/or IDRS, do not route the return to SP for processing. Route the return as follows:

Note: You can also find routing information for ASFR Reconsideration returns on SERP Who/Where *ASFR - Reconsideration Returns - Centralized Processing Sites*.

If ...	Then ...
There is no TC 290 and no TC 420 posted to the tax module and the TC 150 DLN begins with 19210 and does not contain 888 in the julian date	Route all returns to the Brookhaven Campus, PO Box 9013, Stop 654, Holtsville, NY 11742-9013
There is no TC 290 and no TC 420 posted to the tax module and the TC 150 DLN begins with 18210 and does not contain 888 in the julian date	Route to the Austin Compliance Services, PO Box 149338, Stop 5501, Austin, TX 78714-9338
There is no TC 290 and no TC 420 posted to the tax module and the TC 150 DLN begins with 89210 and does not contain 888 in the julian date	Route to the Fresno Campus M/S 81304 PO Box 24015 Fresno, CA 93779

If ...	Then ...
There is a TC 290 posted and the TC 150 DLN begins with 19210 or the return is an International return	Route to the Brookhaven Campus, ASFR Unit Stop 654 PO Box 9013, Holtsville, NY 11742- 9013
There is a TC 290 posted and the TC 150 DLN begins with 89210 and the return is not an International return	Route to the Fresno Campus M/S 81304 PO Box 24015 Fresno, CA 93779
There is a TC 290 posted and the TC 150 begins with DLN 18210 and the return is not an International return.	Route to the Austin Compliance Services, PO Box 149338, Stop 5501, Austin, TX 78714-9338
There is an open TC 420 and AIMS Status 08 or below or closed TC 421 and AIMS Status 90 with any Non-Examined Disposal Code 20–99	Route to appropriate Account Management site per IRM 21.5.3.4.10.1, Non-Filer Reject Returns.
There is no TC 290 and no TC 420 posted to the tax module and the TC 150 DLN begins with XX210 and contains 888 in the julian date	Route to the appropriate exam campus based on XX in TC 150 DLN
There is an open TC 420 AIMS Status above 08	Route to the appropriate exam campus based on the TC 420 DLN or the AIMS organizational code found on Command Code AMDISA.
There is a TC 300 posted to the tax module	<ul style="list-style-type: none"> If there is a TC 300 posted route to the address below. Do Not route TC 300 cases to ASFR because they involve Examination assessments. Brookhaven Campus Exam Operation Stop 614A, 1040 Waverly Ave Holtsville, NY 11742–9005

Note: When processing ASFR international returns with Form 2555, see IRM 4.13.7–1, ASFR Reconsideration Returns- Centralized Processing Site, for information on where to route these cases.

5.19.2.6.4.5.12.2
(02-15-2022)

**IMF Response with
Original Return Does not
Match CP Notice or
Open TDI**

- (1) Compare the TIN, name, tax period and MFT on the return with the notice or inquiry on various posting errors:

Note: For AM call site CSR's only, if you identify a TIN & entity problem or return delinquency posting error and you are unable to resolve the case, see IRM 5.19.2.6.5.2, Return Delinquencies Due to Posting Errors.

If	And	Then
The taxpayer's return posted to the correct TIN, but the RD notice TIN is incorrect and no returns have posted to the RD notice module.	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Input a TC 591 cc 075 using CC FRM49. 2. Destroy the return. 3. Document AMS of actions taken. <p>Note: If a credit balance remains on the account, you must address prior to closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p>
The taxpayer's return posted to the correct TIN, but the RD notice TIN is incorrect and no returns have posted to the RD notice module.	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Input a TC 591 cc 025 using CC FRM49. 2. Destroy the return. 3. Document AMS of actions taken. 4. If the account is on ACS, enter history code "TOC0,30,RDPND" or "TOS0,30,RDPND". <p>Note: If a credit balance remains on the account, you must see IRM 5.19.2.6.7, Credit Balance Overview before closing the module with a TC 590, 591 or 593.</p>
The taxpayer's return posted to the correct TIN, but the RD notice TIN is incorrect and no returns have posted to the RD notice module.	For FA employees,	<ol style="list-style-type: none"> 1. Input a TC 591 cc 020 using CC FRM49. 2. Destroy the return. 3. Document AMS with actions taken, if appropriate. 4. If the account is on ACS, enter history code "TOC0,30,RDPND". <p>Note: If a credit balance remains on the account, you must see IRM 5.19.2.6.7, Credit Balance Overview before closing the module with a TC 590, 591 or 593.</p>
The taxpayer's return has not posted to the correct TIN, but the RD notice TIN is incorrect and no returns have posted to the RD notice module.	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Input a TC 591 cc 075 using CC FRM49. 2. Go to IRM 5.19.2.6.4.5.12, IMF Response with Original Return, and prepare the return for processing. 3. Document AMS of actions taken. <p>Note: If a credit balance remains on the account, you must see IRM 5.19.2.6.7, Credit Balance Overview before closing the module with a TC 590, 591 or 593.</p>

If	And	Then
The taxpayer's return has not posted to the correct TIN, but the RD notice TIN is incorrect and no returns have posted to the RD notice module.	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Input a TC 591 cc 025 using CC FRM49. 2. Go to IRM 5.19.2.6.4.5.12, IMF Response with Original Return, and prepare the return for processing. 3. Document AMS of actions taken. 4. If the account is on ACS, enter history code "TOC0,30,RDPND" or "TOS0,30,RDPND". <p>Note: If a credit balance remains on the account, you must see IRM 5.19.2.6.7, Credit Balance Overview before closing the module with a TC 590, 591 or 593.</p>
The taxpayer's return has not posted to the correct TIN, but the RD notice TIN is incorrect and no returns have posted to the RD notice module.	For FA employees,	<ol style="list-style-type: none"> 1. Input a TC 591 cc 020 using CC FRM49. 2. Go to IRM 5.19.2.6.4.5.12, IMF Response with Original Return, and prepare the return for processing. 3. Document AMS of actions taken, if appropriate. 4. If the account is on ACS, enter history code "TOC0,21,RDPND" or "TOS0,21,RDPND". <p>Note: If a credit balance remains on the account, you must see IRM 5.19.2.6.7, Credit Balance Overview before closing the module with a TC 590, 591 or 593.</p>
The taxpayer's return indicates a correct TIN, and the RD notice TIN is incorrect.	A return has posted under the incorrect RD notice module TIN,	<ol style="list-style-type: none"> 1. Transfer to the appropriate Accounts Management Unit. Document AMS of actions taken. 2. Notate on the routing slip "TIN Related Problem".
Return was filed under an incorrect TIN or tax period.	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Input a TC 594 cc 083 using CC FRM49. 2. Transfer to the appropriate Accounts Management Unit, notate on the routing slip "TIN Related Problem" or "Return posted to incorrect tax period". 3. Document AMS of actions taken.
Return was filed under an incorrect TIN or tax period.	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Input a TC 594 cc 033 using CC FRM49. 2. Transfer to the appropriate Accounts Management Unit. Notate on the routing slip "TIN Related Problem" or "Return posted to incorrect tax period". 3. Document AMS of actions taken. 4. If on ACS, enter history code "OADT,30,59433".

If	And	Then
Return was filed under an incorrect TIN or tax period.	For FA employees.	<ol style="list-style-type: none"> 1. Input a TC 594 cc 020 using CC FRM49. 2. Transfer to the appropriate Accounts Management unit. Notate on the routing slip "TIN Related Problem" or "Return posted to incorrect tax period". 3. Document AMS of actions taken. 4. If the account is on ACS, enter history code "OADT,21,59420".

- (2) If the return was filed jointly, research the secondary TIN on the return to determine if the module was created with a previous TC 140 or TC 474 or if a return has posted.

- a. If a return has not posted to the Primary TIN, and the secondary TIN module has not been created with a previous TC 140 or TC 474 proceed to IRM 5.19.2.6.4.5.12, IMF Response with Original Return, and prepare the return for processing.

Note: If you receive a return on a module that has not been created with a previous TC 140 or TC 474, the taxpayer may be a "first time filer" (account is not on IDRS or Masterfile) or income was below filing requirement, do not input a TC 59X on IDRS, only annotate TC 59X on the return and forward for processing.

- b. If a return has not posted to the primary TIN, and the secondary TIN module has also been created with a previous TC 140 or TC 474, follow the guidelines below:

If	Then
For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Input a TC 594 cc 084 on the secondary SSN using CC FRM49 and cross reference the Primary TIN. Note: Input the cross reference TIN on CC FRM 49. 3. Go to IRM 5.19.2.6.4.5.12, IMF Response with Original Return and prepare the return for processing. 4. Document AMS of actions taken, as appropriate.
For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Input a TC 594 cc 034 on the secondary SSN using CC FRM49 and cross reference the Primary TIN. Note: Input the cross reference TIN on CC FRM49. 3. Go to IRM 5.19.2.6.4.5.12, IMF Response with Original Return and prepare the return for processing. 4. Document AMS of actions taken, as appropriate. 5. Enter history code "TOC0,30,594034" or "TOS0,30,594034".
For FA employees,	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Input a TC 594 cc 023 on the secondary SSN using CC FRM49 and cross reference the Primary TIN. Note: Input the cross reference TIN on CC FRM 49. 3. Go to IRM 5.19.2.6.4.5.12, IMF Response with Original Return and prepare the return for processing. 4. Document AMS of actions taken, as appropriate. 5. If the tax module is on ACS enter history code "TOC0,21,594021" or "TOS0,21,594021".

c. If the secondary TIN has a return posted, follow the guidelines below:

Note: Since the return is posted on the secondary TIN and you received a joint return, the TC 594 will be input on the primary TIN.

If	And	Then
The TC150 amount matches the total tax on the return,	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Input a TC 594 cc 084 using CC FRM49. Enter the cross reference TIN on CC FRM 49. 3. Document AMS of actions taken. 4. Destroy the return.
The TC150 amount matches the total tax on the return,	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Input a TC 594 cc 034 using CC FRM49. Note: Enter the cross reference TIN on CC FRM 49. 3. Document AMS of actions taken. 4. Destroy the return. 5. If the tax module is on ACS, enter history code "TOC0,30,594034" or "TOS0,30,594034".
The TC150 amount matches the total tax on the return,	For FA employees,	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Input a TC 594 cc 023 using CC FRM49. Note: Input the cross reference TIN on CC FRM 49. 3. Document AMS of actions taken. 4. Destroy the return. 5. If the tax module is on ACS, enter history code "TOC0,21,594041" or "TOS0,21,594041".
The primary TIN on the return is not in an open RD status,	Intentionally left blank	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. Destroy the return. 3. Document AMS of actions taken.

If	And	Then
The posted return is not joint (FS- 2) or the TC 150 amount does not match the total tax on the return.	For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Input a TC 594 cc 084 using CC FRM49. Note: Input the cross reference TIN on CC FRM 49. 2. Transfer to the appropriate Accounts Management Unit and notate on the routing slip "Spouse filed originally as single and now is filing as Joint" or "Total Tax does not match the TC 150". 3. Document AMS of actions taken.
The posted return is not joint (FS- 2) or the TC 150 amount does not match the total tax on the return.	For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Input a TC 594 cc 034 using CC FRM49. Note: Input the cross reference TIN on CC FRM 49. 2. Transfer to the appropriate Accounts Management unit. Notate on the routing slip "Spouse filed originally as single and now is filing as Joint" or "Total Tax does not match the TC 150". 3. Document AMS of actions taken. 4. If the tax module is on ACS, enter history code "TOC0,30,594034" or "TOS0,30,594034".
The posted return is not joint (FS- 2) or the TC 150 amount does not match the total tax on the return.	For FA employees,	<ol style="list-style-type: none"> 1. Input a TC 594 cc 023 using CC FRM49. Note: Input the cross reference TIN on CC FRM 49. 2. Transfer to the appropriate Accounts Management unit. Notate on the routing slip "Spouse filed originally as single and now is filing as Joint" or "Total Tax does not match the TC 150". 3. Document AMS of actions. 4. If tax module on ACS, enter history code "TOC0,21,594021" or "TOS0,21,594021".
The primary TIN on the return is not in an open RD status.	Intentionally left blank	<ol style="list-style-type: none"> 1. Transfer to the appropriate Accounts Management area. Notate on the routing slip "Spouse filed originally as single and now is filing as Joint" or "Total Tax does not match the TC 150". 2. Document AMS of actions taken.

5.19.2.6.4.5.12.3
(02-15-2022)

**IMF Response with
Original Return
Unsigned**

(1) If an **unsigned** return is secured check:

If ...	Then ...
Form 15103, Form 8879, any RD notice or appropriate letter is attached with taxpayer's signature(s) below the jurat statement. Note: Form 8879 must be attached with a valid signature when there is an indication of rejected electronic filing or prior year. See IRM 3.11.3.14.5 Signature, for more information.	Follow instructions IRM 5.19.2.6.4.5.12, IMF Response with Original Return.
<ul style="list-style-type: none"> No acceptable signed jurat statement attached Or only one signature on a Married Filing Joint (MFJ) return Or signed but not on the signature line(s) 	Follow procedures in the If/Then chart below

Note: A minor child's return signed by a parent is acceptable and never requires documentary evidence.

Exception: If the return (child or taxpayer return) is signed by a guardian or other fiduciary representative, then there must be documentary evidence. For further guidance on documentary evidence, please follow IRM 3.11.3.7.1.3, Fiduciary Relationships, IRM 3.11.3.7.1.3.1, Documentary Evidence Requirements, IRM 3.11.3.7.1.3.2, Minor Child, or IRM 3.11.3.7.1.3.3, Power of Attorney (POA). See IRM 3.11.3.10.2, Documentary Evidence, for requirements for decedent returns.

If ...	Then ...
<p>Callsites are on the telephone with the taxpayer, (ACS Only)</p>	<ol style="list-style-type: none"> 1. Tell the taxpayer the faxed return received cannot be accepted or processed until it is signed (both signatures for MFJ). Inform the taxpayer to fax the return (only the signature page of the Form 1040 if no other schedules are needed), immediately with the appropriate signature(s) and current date. 2. When faxed return is received, or the signature page of the Form 1040, replace it and follow IRM 5.19.2.6.4.6.12, IMF Response with Original Return. 3. If the taxpayer cannot immediately fax the return, tell the taxpayer to send the return to the appropriate ACSS mailing address.
<p>Taxpayer's telephone number available, and there is an installment agreement request. (ACS Support and CSCO Only)</p> <p>Note: No phone call is required if the only issue is an unsigned return.</p>	<ol style="list-style-type: none"> 1. Attempt to contact the taxpayer based on procedures in IRM 5.19.1, Balance Due, If there is no response to the phone call attempt, proceed to the next "then" box. 2. Document AMS comments appropriately. <p>Note: If you were unable to contact the taxpayer, based on phone call attempt, send back the attached Installment Agreement request (Form 9465, Form 433-F, Form 433-D , etc.) with the unsigned return.</p>

If ...	Then ...
<p>No telephone number available or only one signature for MFJ, (ACS Support Only)</p>	<ol style="list-style-type: none"> 1. Circle out the received dates on the unsigned return 2. Send the unsigned return back to the taxpayer using a cover Letter 4905, Request for Missing Signature(s) to Complete Return. Make sure you mail the return back to the current address on ENMOD. <p>Note: Save the Letter 4905 to your desk top and fill in the required fields. Make sure you put the IRS return address and mail stop in the upper left hand corner of the Letter 4905. Print directly from your printer and attach it to the original unsigned return. Send it to the taxpayer in an envelope you addressed.</p> <ol style="list-style-type: none"> 3. Leave notes on AMS indicating: <ul style="list-style-type: none"> • Amount of the refund or balance due. • Indicate the unsigned return was sent back to the taxpayer for signature. 4. Input a 30 day delay, "TOS0,30,LTR4905"
<p>No telephone number available or only one signature for MFJ, (CSCO Only)</p>	<ol style="list-style-type: none"> 1. Circle out the received dates on the unsigned return 2. Send the unsigned return back to the taxpayer using Form 3531. Make sure you mail the return back to the current address on ENMOD. 3. Leave notes on AMS indicating: "Unsigned return". <p>Note: If module is in status code (SC) 02, input a delay to prevent the next notice issuance while module is in monitor status, see IRM 5.19.2.6.1.1, Accelerate and/or Delay to TDI Status 03.</p>

If ...	Then ...
Undelivered Form 3531 , Request for Missing Signature or Information to Complete Return	<ol style="list-style-type: none"> 1. If USPS yellow label is attached with a forwarding address, input address change (if more current than shown on CC ENMOD), and re-send Form 3531, Request for Missing Signature or Information to Complete Return, ensuring to use the new address on the envelope. 2. If USPS yellow label shows no new forwarding address or an old forwarding address, prepare Form 3210, Document Transmittal, and route to Files area in SP, see Exhibit 5.19.2-3, Files Address. 3. Include in the remarks area on Form 3210, the taxpayer's name(s) and SSN(s) and include "File and maintain unsigned Tax Return in the ALPHA file". 4. Document AMS comments of the actions taken. Note: Make sure to notate the SP files site you sent the Form 3210 so it will be easier to locate. See Exhibit 5.19.2-3, Files Address for appropriate sites. 5. Leave notes on AMS indicating: tax period and unsigned return

If ...	Then ...
<p>Undelivered Letter 4905, Request for Missing Signature(s) to Complete Return (ACS Support and CSCO)</p>	<ol style="list-style-type: none"> 1. If USPS yellow label is attached with a forwarding address, input address change (if more current than shown on CC ENMOD), and re-send Letter 4905, Request for Missing Signature(s) to Complete Return, ensuring to use the new address on the envelope. 2. If USPS yellow label shows no new forwarding address or an old forwarding address, prepare Form 3210, Document Transmittal, and route to Files area in SP, see Exhibit 5.19.2-3, Files Address. 3. Include in the remarks area on Form 3210, the taxpayer's name(s) and SSN(s) and include "File and maintain unsigned Tax Return in the ALPHA file". 4. Document AMS comments of the actions taken. Note: Make sure to notate the SP files site you sent the Form 3210 so it will be easier to locate. See Exhibit 5.19.2-3, Files Address for appropriate sites. 5. If the account is open on ACS input: <ul style="list-style-type: none"> • "TOC0,30,UD4905-R" or "TOS0,30,UD4905-R" when notice is reissued • "TOC0,nn,UD4905" or "TOS0,nn,UD4905-R" when notice is not reissued. Reassign to the next appropriate function.

If ...	Then ...
<p>Insufficient response returned with cover Letter 4905 (still not signed or signed in the incorrect location) ACS Support Only Only)</p>	<ol style="list-style-type: none"> 1. Prepare Form 3210, Document Transmittal, attach to the unsigned return and route to the appropriate Files area in SP; see Exhibit 5.19.2-3, Files Address. 2. Include in the remarks area on Form 3210, the taxpayer's name(s) and SSN(s) and include "File and maintain unsigned Tax Return in the ALPHA file". 3. Document AMS comments of the actions taken. Indicate response received, but still unsigned. 4. Send appropriate letter to the taxpayer informing them we could not process their return and that we will proceed with next action (levy, lien or process a return for them) if they do not provide us with a valid return. Note: Make sure to notate the SP files site you sent the Form 3210 so it will be easier to locate the unsigned return in the future. See Exhibit 5.19.2-3, Files Address for appropriate Sites. 5. If case is open on ACS reassign to the next appropriate function.

5.19.2.6.4.5.13
(02-15-2022)

**IMF Response with Copy
of Return(s)**

- (1) This section provides guidance for working accounts when the taxpayer sends a copy of a return. Research IDRS to determine if the original return has posted.

If	And	Then
The original return has posted to the correct period and TIN and the amount of tax, taxable income, etc. matches what is on IDRS	An open delinquency is present on the secondary taxpayer's account,	See IRM 5.19.2.6.5.1, TIN and Entity Problem, Taxpayer Filed as Spouse on Joint Return.
The original return has posted to the correct period and TIN and the amount of tax, taxable income, etc. matches what is on IDRS	No open delinquency is present on the primary and/or secondary taxpayer's account,	Whether there is an original signature or not, destroy the copy of the return.
The original return has posted to an incorrect TIN or period or the amount of tax, taxable income, etc. does not match what is shown on IDRS	Intentionally left blank	<ol style="list-style-type: none">1. Control or refer the case per IRM 5.19.2.6.5, Return Delinquency TIN and Entity Research .2. See IRM 5.19.2.6.5.1, TIN and Entity Problems, for procedural guidance.

If	And	Then
<ol style="list-style-type: none"> 1. The original return has not posted and was filed less than 10 weeks ago, or 2. An RJ150/UP150 has posted to the module, 	Intentionally left blank	<ol style="list-style-type: none"> 1. This is a "refund" return; see IRM 5.19.2.6.4.5.12, IMF Response with Original Return. 2. This is "not a refund" return, input a TC 594 cc 033 for ACS/ACSS Employees, cc 058 for CFf employees, cc 022 for FA employees or cc 083 for CSCO/AM employees using CC FRM49. Mark return for classified waste. 3. Module shows RJ150/UP150, contact the appropriate area (Rejects or Unpostables) for resolution. 4. Document AMS with the date of original return filed. 5. If the account is on ACS, enter history code "OADT,45,CMNTS".
<ol style="list-style-type: none"> 1. The original return has not posted and was filed more than 10 weeks ago or, 2. The taxpayer does not state when the original return was filed (consider the return filed more than 10 weeks ago.) 	RJ150/UP150 has not posted to the module.	See IRM 5.19.2.6.4.5.12, IMF Response with Original Return.

5.19.2.6.4.5.14
(01-16-2015)

**IMF Response Taxpayer
Unable to File**

- (1) If the taxpayer states he/she is unable to file, provide the necessary information (i.e. forms, IRP docs, etc.), if available.
- (2) If you are **able** to provide the information, see IRM 5.19.2.6.4.5.9, IMF Response Taxpayer Will File (Correspondence only) or see IRM 5.19.2.6.4.5.4, IMF taxpayer Liable.
- (3) If you are **unable** to provide the information, first attempt to close using one of the three conditions below. Otherwise, proceed to paragraph 4 below.
 - “Income below Filing Requirements” see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements).
 - “Refund Due” see IRM 5.19.2.6.4.5.2, IMF Refund Due.
 - Meets **P-5-133** criteria for “Little or No Tax Due”, see IRM 5.19.2.6.4.5.3.2, IMF Little or No Tax Due.
- (4) If you are **unable to close** the module as mentioned in paragraph 3 above, follow the table below for guidance:

If	Then
Account is in notice status 02,	<ol style="list-style-type: none"> 1. See IRM 5.19.2.6.1.2, Accelerate to Compliance Territory Office (Revenue Officer), for further guidance. 2. Document AMS of actions taken and findings.
Account is in TDI status 03.	<ol style="list-style-type: none"> 1. See IRM 5.19.2.6.1.2, Accelerate to Compliance Territory Office (Revenue Officer), for further guidance. 2. Document AMS of actions taken.

5.19.2.6.4.5.15
(02-15-2022)

**IMF Response Select
Codes 88, Mortgage
Interest and 89, High
Mortgage Interest**

- (1) If an inquiry (telephone or correspondence) is received, from the taxpayer, questioning why they are required to file a tax return and the TDI select code is 88 or 89, continue as follows.

Note: RD notices are sent to taxpayers if the mortgage interest paid is 50% or more of their total income.

- a. If CC IRPTR indicates **one** Mortgage Interest IRP document, question the taxpayer (call if a telephone number is available or send appropriate letter) of how the Mortgage Interest was paid.

Note: Use selective paragraphs in Letter 2269C or open paragraph stating: “Our records indicate the total income reported to the IRS is insufficient to cover the amount you paid for mortgage interest during the tax year. Please respond with an explanation how the mortgage was paid and reason to support why you are not required to file a tax return. ”

- b. If CC IRPTR indicates **more than one** Mortgage Interest IRP document, question the taxpayer (call if a telephone number is available) if any Mortgage Interest paid are from “Rental Properties”.

Note: Use selective paragraphs in Letter 2269C or open paragraph stating: "Our records indicate that you have two or more mortgage interest paid documents. If one or more of the documents is for rental properties, you must file a tax return to report the Rental income received. If you do not receive rental income, please respond with an explanation how the mortgage was paid and why you are not required to file a tax return."

- (2) If the taxpayer responds with an explanation how the mortgage interest was paid, follow the table below for guidance.

Note: On the following chart below, if a telephone number is available attempt to contact the taxpayer of closing action in lieu of a closing letter. If on the telephone and you determine the taxpayer is required to file per chart below, then provide the taxpayer with the required return and mailing information.

If	And	Then
If the taxpayer states the mortgage interest was paid by another person,	Their total income is below filing requirements, see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements),	<ol style="list-style-type: none"> 1. Inform the taxpayer they are not required to file and we will take the necessary actions to close the account. 2. Input a TC 590 with appropriate closing code. 3. Document AMS /ACS accordingly. <p>Note: If the account is on ACS, enter history code "TOC0,30,RDPND" , or "TOS0,30,RDPND" .</p> <p>Exception: FA employees use 21.</p>
The taxpayer states the mortgage interest was paid by another person,	Their income is above filing requirements,	<ol style="list-style-type: none"> 1. Inform the taxpayer they are required to file the tax return including the Mortgage Interest on Schedule A or E, if applicable. 2. Document AMS/ACS accordingly.

If	And	Then
The taxpayer states they have rental properties,	Their income is above filing requirements,	<ol style="list-style-type: none"> 1. Inform the taxpayer our records indicate they are required to file. Instruct the taxpayer to include all income including their rental income. Note: Rental income must be reported on Schedule E, if applicable. 2. Document AMS/ACS accordingly.
The taxpayer states they do not have rental properties,	Their income is above FR,	<ol style="list-style-type: none"> 1. Inform the taxpayer they are required to file. 2. Document AMS/ACS accordingly.
The taxpayer states they do not have rental properties and explained how the mortgage interest was paid.	Their income is below FR.	<ol style="list-style-type: none"> 1. Inform the taxpayer they are not required to file. 2. Input TC 590 with appropriate closing code for not liable see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable (Income Below Filing Requirements). 3. Document AMS/ACS accordingly. <p>Note: If the account is on ACS, enter "TOCO,30,RDPND" , or "TOS0,30,RDPND" .</p> <p>Exception: FA employees use 21.</p>

5.19.2.6.5
(01-16-2015)

Return Delinquency TIN and Entity Research

- (1) This section provides guidance on working all Return Delinquency (RD) Research (Taxpayer Identification Number [TIN] and Entity) issues.
- (2) Accounts Management (AM) call sites have employees trained to work RD Research cases related to TIN and Entity problems.

Note: Customer Service Representative's (CSR) not trained to work RD Research cases have the option of referring the case within their site in accordance with local management decision.

- (3) For **AM call-site employees** only, if an "RD Research" case "**can not**" be closed, complete a Form 4442. If the module is in notice status 02, route the Form 4442 to the appropriate Compliance Services Collection Operation

(CSCO). (For Individual Master File [IMF] Campuses are Fresno or Austin only). If the account is in Taxpayer Delinquency Investigation (TDI) status 03, route the Form 4442 to the appropriate Automated Collection System (ACSS) support site within your Business Operating Division (BOD).

- (4) For **AM call site CSR's** only, if you identify a TIN & Entity problem or RD posting error and you are unable to resolve the account, take the following actions:

If	Then
Account is in notice status 02,	<ul style="list-style-type: none"> Input a delay code "C08" using command code (CC) ASGNI to allow 8 weeks to delay the account from accelerating to TDI Status 03. Note: Do not input a Notice Code "A" to prevent any additional RD notices. The referring employee (TE or CSR) must open and close an Integrated Data Retrieval System (IDRS) control base with the activity code "RD Research". Route a Form 4442 to the appropriate CSCO Site.
Account is in TDI status 03.	<ul style="list-style-type: none"> The referring employee (Tax Examiner [TE] or CSR) must open and close an IDRS control base with the activity code "RD Research". Route a Form 4442 to the appropriate ACS Support site.

5.19.2.6.5.1
(01-16-2015)

TIN and Entity Problems

- (1) The following is a list of conditions that are considered TIN and Entity problems:
- Taxpayer has two or more TINs.
 - Taxpayer used a TIN other than their assigned TIN.
 - Two or more taxpayers are using the same TIN.
 - Taxpayer changed names.
 - Taxpayer used a name other than the Master File name.
 - Change in business structure (Business master File [BMF] only).
 - Taxpayer lists TIN as applied for.

- (2) The following sections contains procedures for working these cases.

5.19.2.6.5.1.1
(01-16-2015)

IMF TIN and Entity Problems

- (1) A RD entity can be created in error when a taxpayer files a return with a name or TIN different than Master File information. If a taxpayer states he/she previously filed a return, research for another name or TIN.
- a. If the taxpayer used the TIN of a deceased spouse, research the deceased's account to verify the return posted. If the return posted to the deceased's account, take the following actions.

Note: If a copy of death certificate or information on CC INOLES shows a date of death, input a Transaction Code (TC) 540 using REQ77 on year of death (if not present) and document the entity on deceased spouses account, see IRM 5.19.2.6.4.5.6, IMF Response Taxpayer Deceased.

If	Then
For CSCO and AM employees,	<ol style="list-style-type: none"> 1. Transfer any credit on the notice taxpayer's account to the deceased spouse's Social Security Notice (SSN). 2. Input a TC 594 closing code (cc) 084 using CC FRM49 on notice taxpayer's account, including the cross reference TIN. 3. Advise taxpayer to use their own TIN in the future. 4. Document AMS of actions taken.
For ACS and ACSS employees,	<ol style="list-style-type: none"> 1. Transfer any credit on the notice taxpayer's account to the deceased spouse's SSN. 2. Input a TC 594 cc 034 using CC FRM49 on notice taxpayer's account, including the cross reference TIN. 3. If speaking to taxpayer on telephone, advise them to use their own TIN in the future. 4. Document AMS of actions taken, including the TIN of the deceased spouse taxpayer. 5. If the account is on ACS, enter history code "TOC0,30,594034" or "TOS0,30,594034".
For Field Assistance (FA) employees,	<ol style="list-style-type: none"> 1. Transfer any credit on the notice taxpayer's account to the deceased spouse's SSN. 2. Input a TC 594 cc 023 using CC FRM49 on notice taxpayer's account, including the cross reference TIN. 3. Advise taxpayer to use their own TIN in the future. 4. Document AMS of actions taken, including TIN of deceased spouse. 5. If the account is on ACS, enter history code "TOC0,21,594023" or "TOS0,21,594023".

- (2) Determine the correct TIN and name using taxpayer information and IDRS research.
- (3) If the taxpayer's return posted to the correct TIN with the correct name and the notice TIN/Name is incorrect, take the following actions:

If	And	Then
For CSCO and AM employees,	No returns have posted to the notice account	<ol style="list-style-type: none"> 1. Input TC 591 cc 075 using CC FRM49. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p> <ol style="list-style-type: none"> 2. Document AMS of actions taken.
For ACS and ACSS employees,	No returns have posted to the notice account	<ol style="list-style-type: none"> 1. Input TC 591 cc 025 using CC FRM49. <p>Note: If a credit balance remains on the account, you must follow all credit balance procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p> <ol style="list-style-type: none"> 2. Document AMS of actions taken. 3. If the account is on ACS, enter history code "TOC0,30,RDPND" or "TOS0, 30,RDPND".
For FA employees,	No returns have posted to the notice account	<ol style="list-style-type: none"> 1. Input TC 591 cc 020 using CC FRM49. <p>Note: If a credit balance remains on the account, you must follow all procedures credit balance procedures before closing the module with a TC 590, 591 or 593. See IRM 5.19.2.6.7, Credit Balance Overview.</p> <ol style="list-style-type: none"> 2. Document AMS of actions taken. 3. If the account is on ACS, enter history code "TOC0,21,RDPND" or "TOS0,21,RDPND" .

- (4) If the notice TIN and name are correct but the taxpayer's return posted under another name or TIN, follow procedures below:
- a. Input TC 594 cc 083/033/022, and
 - b. Transfer to the appropriate Account Management Unit, notating on the routing slip "TIN related problem" and
 - c. Document AMS of actions taken, including the TIN where the return is posted.

5.19.2.6.5.1.2
(11-06-2015)

IMF- TIN and Entity

**Problem, Taxpayer Filed
a Joint Return**

- (1) If the taxpayer filed a joint return, verify the fact of filing on IDRS with the TIN of the spouse.

Note: Before transferring any credits to the primary account TIN, research to ensure the credits belong to the primary or secondary taxpayer.

If	And	Then
For CSCO and AM Employees,	Joint return (Filing Status 2) posted to spouse's TIN as primary.	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. On the primary TIN which is now the secondary TIN, input TC 594 cc 084 using CC FRM49, and input the cross reference TIN in the cross reference TIN field. 3. Document AMS of actions taken.
For ACS and ACSS employees,	Joint return (Filing Status 2) posted to spouse's TIN as primary.	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. On the primary TIN which is now the secondary TIN, input TC 594 cc 034 using CC FRM49, and input the cross reference TIN in the cross reference TIN field. 3. Enter history code "TOC0,30,594034" or "TOS0,30,594034" . 4. Document AMS of actions taken.
For FA employees,	Joint return (Filing Status 2) posted to spouse's TIN as primary.	<ol style="list-style-type: none"> 1. Verify credits and transfer to the correct TIN. 2. On the Primary TIN which is now the secondary TIN, input TC 594 cc 023 using CC FRM49 and input the cross reference TIN in the cross reference TIN field. 3. If the account is on ACS, enter history code "TOC0,21,594023" or "TOS0,21,594023" . 4. Document AMS of actions taken.
Return has not posted,	an original or copy of return has not been secured,	Follow procedures in IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable, for further processing.

If	And	Then
Return has not posted and account is in notice status 02 or TDI status 03,	An original or copy of the return was secured indicating the TIN on the RD module as the primary SSN,	<ol style="list-style-type: none"> 1. See IRM 5.19.2.6.4.5.12, IMF Response with Original Return or see IRM 5.19.2.6.4.5.13, IMF Response with Copy of Return(s). 2. Verify any credits from the secondary TIN module and transfer, if appropriate. 3. Document AMS of pertinent information, including secondary spouse's TIN. 4. If the account is on ACS, enter history code "TOC0,30,599ccc" or "TOS0,30,599ccc". (using the appropriate closing code (cc) for the type of return received).
Return has not posted and account is in notice status 02 or TDI status 03,	If an original or copy of the return was secured indicating the TIN on the RD module as the secondary SSN,	<ol style="list-style-type: none"> 1. See IRM 5.19.2.6.4.5.12, IMF Response with Original Return, or see IRM 5.19.2.6.4.5.13, IMF Response with Copy of Return(s), for further processing. 2. Verify any credits on the secondary TIN module and transfer, if appropriate. 3. Input a TC 594 cc 084/034/023 using CC FRM49 including the cross reference TIN, if applicable. 4. Document AMS of actions taken. 5. If the account is on ACS, enter history code "TOC0,30,594034" or "TOS0,30,594034".
Return posted on spouse's TIN and is not filing status 2.	Intentionally left blank	<ol style="list-style-type: none"> 1. Transfer to the Inventory Control Team (ICT) within Accounts Management unit and notate on the routing slip "Spouse filed originally as single and now is filing as Joint". 2. Document AMS of any pertinent information and actions taken.

- (2) If a joint return was filed, determine if the secondary taxpayer's name and TIN are correct on Master File.

If	Then
The secondary TIN is incorrect or missing on MF,	Input TC 017 using CC ENREQ to correct the secondary TIN.
The secondary name is incorrect.	Send Letter 1825C or other appropriate letter, advising the taxpayer to contact Social Security Administration.

- (3) If a joint return was filed and a BWH 2 Indicator is present on the secondary TIN, see IRM 5.19.2.6.4.4, Backup Withholding - C (BWH-C) Inquiries.
- (4) Refer all Automated Substitute For Return (ASFR) (ASGNI 8000) responses with a TC 150 for \$.00, the literal "SFR", tax class 2 and doc code 10 in the DLN, and 887 in the julian date to the ASFR function, whether or not a TC 290 has posted to the account.

5.19.2.6.5.2
(01-16-2015)

Return Delinquency Due to Posting Errors

- (1) If you determine a return has posted to an incorrect period:

If	Then
IMF return posted to an incorrect period,	<ol style="list-style-type: none"> 1. Transfer to the appropriate Accounts Management IMF unit via Form 4442 or appropriate form. 2. Attach the form to the original return. Notate "Return posted to an incorrect tax period" on Form 4442 or appropriate form. 3. Document AMS of actions taken.
If the original return posted to the correct account, but the amount of tax, taxable income, etc. does not match IDRS,	<ol style="list-style-type: none"> 1. Forward the information secured to the appropriate Accounts Management Unit. 2. Notate on the Form 4442 all pertinent information regarding the discrepancy identified, i.e. "Figures on Return do not match figures posted to IDRS." 3. Document AMS of actions taken.

5.19.2.6.6
(11-06-2015)

Unable to Locate

- (1) This section is not intended for AM employees.
- (2) If correspondence is returned with no new address, research for new address. You can use any of the following research tools to research for a potential new address:
- INOLE - cross reference accounts
 - IRPTR - Current W-2 or 1099 documents could provide a potential new address

- TRDBV
- ENMOD - Possible pending addresses
- AMS comments
- Accurint - If access has been granted

- (3) If a potential new address is found, Send Letter 2788C to validate. Document on AMS that correspondence was returned and annotate the address on the 2788C.

Note: Because of PII issues, you should not send correspondence to a potential new address unless you are certain it belongs to the taxpayer.

- (4) If a new address can not be located, follow procedures below: Document AMS of actions taken.

- For non-primary Code (PC) B input D00 using CC ASGNI or CC ASGNB (see IRM 2.4.27, Command Code ASGNI/ASGNB formerly TSIGN) with Notice Code "U" (Undelivered Mail Indicator).

Note: For accounts in ST 03 document AMS regarding undeliverable mail.

- For PCB's only, input TC 593 cc 082 using CC FRM49.
- Destroy notice.
- If taxpayer is missing in action (MIA), input TC 590 cc 019, document AMS of information.

- (5) All undeliverable RD notices and ACS LT letters (including those with yellow stickers from the post office), See IRM 5.19.16.3.2 , Undelivered (UD) Mail procedures, for additional information.

5.19.2.6.6.1
(12-02-2015)
Unable to Contact

- (1) This section is not intended for AM employees.
- (2) There are situations when a taxpayer will be "unable to contact "and there is not enough information to close the account and transferring to Automated Substitute For Return (ASFR) or the queue is not warranted. Follow the guidelines below to determine if closing the RD as "Unable to Contact" is appropriate.

If	And	Then
Account is in notice status 02,	The Information Return Process (IRP) exceeds 60 documents , therefore not meeting ASFR criteria, and all efforts to contact taxpayer have been exhausted,	<ul style="list-style-type: none"> • Document AMS of actions taken. • Input TC 593 cc 080.

If	And	Then
Account is in Taxpayer Delinquency Investigation (TDI) Status 03,	IRP exceeds 60 documents, therefore not meeting ASFR criteria, and all efforts to contact taxpayer have been exhausted,	<ul style="list-style-type: none"> Document AMS of actions taken. ACS/FA/ACSS: enter history code RD93,30/80 on ACSWeb or input TC593 cc 030/080 directly on IDRS ACS/FA/ACSS: enter history code TOC0,30,UTCPND or TOS0,30,UTCPND. If account can not be closed Unable to Contact (UTC) enter TOI7,XX,TFQU. XX stands for the deadline plus 30 days. See IRM 5.19.2.2.1, Return Delinquency Overview for information on determining follow-up dates.
If account is in TDI Status 03.	Is a Stand Alone TDI or Combo (Taxpayer Delinquent Account) TDA/ TDI) account with “less” than 60 IRP docs , and all contact attempts were exhausted.	<ul style="list-style-type: none"> Input a TC 593 cc 030/080 on IDRS. Document AMS of actions taken. ACS Employees: Also enter history code “TOC0,30, UTCPND” or “TOS0,30,UTCPND”.

5.19.2.6.6.2
(11-28-2022)

**Third Party Contact,
Responses and
Unauthorized Disclosure**

- (1) This section is not intended for AM employees.
- (2) IRC section 7602(c) prohibits IRS employees from contacting persons other than the taxpayer about the collection or determination of the tax liability of such taxpayer without first providing notice of intent to contact third parties. Compliance and ACS notices must state this intent to contact third parties at the time such notice is issued. Before contacting third parties, refer to IRM 5.19.5.13, Notification of Third Party Contact.
- (3) IRC section 7602(c)(2) requires that the IRS provide a record of persons contacted upon the taxpayer’s request. When a third party contact is made, the employee making the contact should complete Form 12175, Third Party Contact Report Form, as part of routine case documentation. Refer to IRM 5.19.5.13, Notification of Third Party Contact. Include the following information:
 - Taxpayer’s TIN

- Name Control
- Employee Identification Number
- MFT and Tax Period
- Spouse's TIN if a joint liability (Indicate whether the contact was for the Primary TIN, Secondary TIN, or both)
- Date of contact
- Name of third party if known
- The relationship of the taxpayer to the third party, if known. Write the term that describes the relationship (e.g. spouse, parent, sibling, child, neighbor, etc.)
- The occupation of the third party if known (e.g. gardener, loan officer, etc.)

Note: The employee should not include the address or telephone number of the third party.

- If the employee determines that there is a reprisal concern when or if the taxpayer is informed of the third party contact, mark the Form 12175 as a "reprisal contact" and do not include the name, relationship to the taxpayer, or the occupation of the third party contact. See IRM 5.19.5.13, Notification of Third Party Contact for additional information.
- Route the completed Form 12175 to the Area Office or Campus, Third Party Contact coordinator. A copy of the Form 12175 should be kept with the case file and document AMS history with the updated information.

- (4) Compliance Services Collection Operation (CSCO) Return Delinquency (RD) and Automated Collection System (ACS) functions will work third party responses. Before contacting third parties, refer to IRM 5.19.5.13, Notification of Third Party Contact, for additional guidance.
- (5) If sensitive information is lost, stolen or inadvertently disclosed, whether electronically, verbally or in hardcopy form, employees are required to report the incident within one hour to their manager. Verbal disclosures, the loss or theft of hardcopy records or documents containing sensitive information, packages lost during shipment, etc., are also reported to the "Office of Privacy, Governmental Liaison and Disclosure (PGLD) Incident Management (IM) Office via the *"PGLD Incident Management Office*. Call 1-267-466-0777 if you have any problems with the online form or have questions about completing the online form.

Note: Employees no longer need to report disclosure incidents (inadvertent disclosures) to Treasury Inspector General for Tax Administration (TIGTA) as part of this process.

- (6) Employees who identify or are informed of disclosure incidents involving taxpayer correspondence are not required to notify PGLD. However, employees are responsible to notify the Office of Taxpayer Correspondence (OTC) using the Servicewide Notice Information Program (SNIP) Erroneous Taxpayer Correspondence Reporting Form. OTC will notify PGLD after an initial analysis of the incident, if applicable. Follow procedures in IRM 25.13.1.3, Erroneous Correspondence Procedures - Report Erroneous Correspondence Process.

Note: Examples of erroneous taxpayer correspondence issues that should be reported include, but are not limited to: multiple notices in a single envelope

with other taxpayer information, or taxpayer states received IRS mail belonging to another taxpayer. See IRM 25.13.1.3, Erroneous Correspondence Procedures for specific guidance.

- (7) If the reply or information from the third party of possible disclosure is received without the mis-directed notice enclosed, send an appropriate letter informing them to return the misdirected mail to the IRS mailing address shown on the envelope and include a note stating "Misdirected Mail", or mark the envelope "Misdirected Mail" and "Return to Sender". The United States Postal Service (USPS) will return it to IRS.
- (8) If a third party (e.g. practitioner, new occupant, ex-spouse) provides a new address, do **not** document Master File until address can be verified by the taxpayer or Power of Attorney (POA). Send Letter 2475C, Letter 2788C or other appropriate letter to the taxpayer's new address.

Note: Do not send Returns or Return information with the Letter 2475C, Letter 2788C unless the taxpayer has verified the new address.

Note: Before contacting third parties, refer to IRM 5.19.5.13, Notification of Third Party Contact.

5.19.2.6.7 (11-28-2022)

Credit Balance Overview

- (1) Credit Balances must be thoroughly researched and addressed to determine the correct disposition, especially before closing the module with a transaction code (TC) 590, 591 or 593.
- (2) For ES/FTD payment, research command code (CC) EFTPS to determine if there are additional TINs associated to the taxpayer.
- (3) If research indicates the credit cannot be transferred or refunded, leave the credit on the module whether or not the credit is statute barred (not available for refund or credit offset). The credit(s) will remain on the module until it is systemically transferred to Excess Collections. It is imperative that the actions described below are taken to ensure the systemic process is not interrupted or delayed.

Exception: CSCO employees route to ACSS for resolution. ACS/ACSS Employees, if the credit is identified as a levy payment, see IRM 5.19.2.6.7.3, Levy Payment Procedures.

5.19.2.6.7.1 (11-28-2022)

Credit Balance Research Procedures

- (1) Research IDRS on all credit(s) and payments on the module. Research includes all open or previously closed modules to determine or rule out if the credits were mis-applied to an incorrect tax period or TIN:

Example: Quarterly, Estimated, Federal Tax Deposits (FTD) deposits, Installment agreement (IA) payments for Individual, Business accounts and/or cross reference modules.

If ...	Then ...
Research indicates credit was mis-applied	Follow procedures in IRM 5.19.2.6.7.2, Credit Balance Offset or Refund Procedures

If ...	Then ...
The payment is not identified as an electronic payment	Research payments via Remittance Transaction Research (RTR) program
The payment is identified as an electronic payment	<p>Verify if the payment was applied correctly by researching CC EFTPS using:</p> <ul style="list-style-type: none"> • Definer "E", when a trace number is available • Definer "T" when no trace number is available <p>Note: To learn more about viewing payment(s) online. See IRM 2.3.70, Command Code EFTPS. For additional information on Electronic Federal Tax Payment System (EFTPS) payments (i.e. credit card, electronic funds, third party payments such as payroll or Intuit, etc.), see IRM 3.17.277.5.3 , EFT Number.</p>
Payment can not be researched via RTR or EFTPS	<ul style="list-style-type: none"> • Order the TC document for further research. • If research does not provide any results, or if the requested payment document is not received, do not re-order documents again. Refer to 2 below and see IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures, for resolution. <p>Note: Allow 15 days for response regarding any EFTPS request. Allow 30 days for MICRO or research request per CC ESTAB, if necessary.</p>
EFTPS research or requested payment documentation is inconclusive, or there is an indication the payment is still mis-applied	See IRM 21.5.7.4.7.15, Electronic Federal Tax Payment System (EFTPS), for additional guidance on resolving the credit.
You are unable to research credit online or cannot verify payment	Contact the EFTPS unit in Ogden for additional guidance. For information about EFTPS, see IRM 3.17.277.1, Electronic Federal Tax Payment System (EFTPS), for overview, financial agent responsibilities and their customer service telephone numbers and payment types.
Possible TIN or posting errors	See IRM 5.19.2.6.5, Return Delinquency TIN and Entity Research, for guidance on TIN and Entity research.
Research indicates the credit was mis-applied and belongs to another tax period or TIN	Transfer the credit accordingly. See IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures.

- (2) The election to have an overpayment applied as a credit elect to the subsequent year is binding and the credit on an IMF account is reversed only under certain circumstances. See IRM 21.4.1.5.6, Credit Elect Problems; and IRM 21.4.1.5.6.1, Credit Elect Reversals.
- (3) It may be necessary to contact taxpayer via telephone or correspondence (Letter 112C or appropriate letter) to determine if the credit belongs to the taxpayer and/or applied to the correct period. See IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures. If you are unsure the credit belongs to the

taxpayer, request supporting documentation from the taxpayer when corresponding with the taxpayer

- (4) If an inquiry is received from taxpayer or you are working an issue which includes a module that was previously closed with TC 597 or TC 598,
 - Determine where to apply the credit or payment
 - Determine if the module can be closed with a TC 590 or 591
- (5) If the credit should remain on the module, input a TC 971 AC 296. See IRM 5.19.2.6.7.4, Input of TC 971 AC 296 - Credit Research Completed, for additional guidance.

5.19.2.6.7.2 (11-28-2022)

Credit Offset or Refund Procedures

- (1) Taxpayer must file a claim for a refund within 3 years from the date the original return was filed or 2 years from the date the tax was paid, which ever is later (Internal Revenue Code (IRC) Section 6511). If no return was filed, a claim may be allowed if filed within 2 years from the date of payment. Refer to IRM 25.6.1.10.2.7, Claims for Credit or Refund-General Time Period of Submitting a Claim. Even if the claim is filed timely, the amount to be credited or refunded is limited to the amount that has been paid or credited during the **look back period** that runs from the filing of the claim and goes back either 2 or 3 years. Refer to IRM 25.6.1.10.2.7.2, Limitations on the Amount of Claim.

Exception: Prepaid credits are deemed to be paid on the Return Due Date (without regard to any extension of time to file). Prepaid credits on an original delinquent return may be credited or refunded if the return is postmarked within 3 years from the RDD, plus extensions. see IRM 25.6.1.10.2.7.2.1, Three-Year Rule at (2) Examples (a) and (b). Extensions include the time of extension granted by a Presidential Declared Disaster.

- (2) A claim that is statute barred is not available either for offset or for refund.

Note: If a TC 460, Extension of Time for Filing, is posted to the spouse's module and you are transferring the credits to the joint account, **you must remove and re-input the TC 460 to the correct tax module** to allow for the correct Return Due Date (RDD) and any penalties to re-compute. To remove or re-input TC 460, see IRM 21.5.2.4.23.8, IDRS Account Actions, and IRM 3.14.1.6.26, Extensions.

- (3) If claim is not statute barred, then follow steps in If/Then chart below.

If ...	Then ...
It is determined that a payment or credit belongs to another tax period or TIN	<ul style="list-style-type: none"> • Transfer the credit(s) or payment(s) to the account with the earliest Collection Statue Expiration Date (CSED) date, and either partially pay the account, or full pay the account and continue to the next earliest account or if none, allow the remainder to properly refund. • See IRM 21.5.8-1, Transaction Codes and Reversals, for additional information on using the correct transaction codes and reversals. • Send a Letter 672C , Letter 2358C or appropriate letter. • Document AMS of actions taken.
You have determined how to apply a credit or payment and now there is an overpayment on the account that is not statute barred from being credited or refunded (under (1), above); and you are able to determine either where to apply the overpayment for offset and/or that the taxpayer is entitled to a refund	<ul style="list-style-type: none"> • Take the appropriate actions to resolve the credit. • Send a Letter 672C, Letter 2358C or appropriate letter. • Document AMS comments of actions taken <p>Exception: When working credit balance case and payments (TC 640, 670, or 660) are posted to the Spouse's account, make sure before you transfer them to a joint account that the payments are not included in the TC 806 amount of the joint account. <u>You can verify by:</u></p> <ul style="list-style-type: none"> • Checking IRPTR on both TINs to find the exact "Withholding amounts" and then add the payment(s) and see if it equals to the TC 806 amount on a joint account. • If the payment(s) is not included and research shows the spouse filed a joint return, transfer to the joint account, as appropriately. • HOWEVER, if you see that payment(s) is <u>included</u> in the TC 806 on the joint account, do the following: input TC 290 .00, TC 807 difference from the total payment(s) amount, use Hold Code "2" and Priority code "1" or "8" (if prior TC 170 posted), then after the adjustment is input, transfer the payment(s) from spouse to joint account. DO NOT SEND A CLOSING LETTER DUE TO IRS ERROR. Only document AMS comments of actions taken.

If ...	Then ...
You have determined how to apply a credit or payment and now there is an overpayment on the account that is not statute barred from being credited or refunded (under (1), above); you are NOT able to determine either where to apply the overpayment for offset and/or that the taxpayer is entitled to a refund	<p>Taxpayer contact is required:</p> <ol style="list-style-type: none"> If a telephone number is available, attempt to contact the taxpayer to determine where to apply the credit/ payment and/or request a tax return. See IRM 5.19.5.3.10, Telephone Techniques and Communication Skills, for additional guidance. <p>Note: At discretion of local management research telephone directory/web-site or research www.411.com for an updated telephone number, if necessary.</p> <ol style="list-style-type: none"> If unable to contact the taxpayer via telephone, send a Letter 112C or appropriate letter to taxpayer. Input a TC 971 AC 296 to document credit research completed. See IRM 5.19.2.6.7.4, Input of TC 971 Action Code (AC) 296 - Credit Research Completed. . Document AMS of actions taken.

(4) Letter 112C responses or research:

If ...	Then ...
Taxpayer responds to a Letter 112C or other appropriate letter for a closed RD module	<ul style="list-style-type: none"> Process per the taxpayer's instructions. A signed statement of non-liability can be used to prepare a "dummy return". Attach the signed statement (affidavit statement from the Letter 112C) to the dummy return for processing. Write "signature attached" on the signature line. <p>Note: A "dummy (zero tax) return" can be prepared to address the credit if taxpayer responds "not liable" as long as the signed Letter 112C is attached. The "The 112C with a signed statement" signifies that the taxpayer is requesting a refund of the payment(s) when it is determined that the taxpayer is not liable to file for the specific tax period. If there is a TC 716 (Credit Elect) see IRM 21.4.1.4.6.1, Credit Elect Reversals you can reverse the credit to the prior year so it can refund systemically rather than preparing a dummy return.</p>

If ...	Then ...
A Letter 112C or another appropriate letter was sent within the past 12 months on a closed module (TC 593, TC 597 or TC 598)	Do not send another letter unless there is an indication that the taxpayer's entity was updated since the last letter was issued.
The credit is not available for offset or refund because it is statute barred	<ul style="list-style-type: none"> • Leave the credit or payment on the module. Input TC 971 AC 296 to document credit balance research completed. • Do not manually move the credit to Excess Collections. <p>Note: This would also apply to tax periods over 6 years old.</p>
The taxpayer's response results in either a full or partial abatement of the AUR assessment on a married filing joint (MFJ) account	<ul style="list-style-type: none"> • Any refund generated by the abatement must be paid jointly to both spouses unless one or more TC 706 is present and all four of the following items are true: <ol style="list-style-type: none"> 1. The spouses' names on the account do not both appear on the originating account. Meaning, the TC 706 credits must transfer from one spouse on the originating account either as a single or separate filer or as a joint filer with a new spouse. 2. No payments or credits other than a TC 706 posted to the account since the AUR assessment. 3. In the case of partial abatements, all TC 706 credits transferred from the same person. 4. All TC 706 occurred less than two years before the date of the full or partial abatement. • If a TC 706 is present and all four of the above items are true, move the applicable TC 706 credits back to the modules where they originated. • For more information on full or partial AUR assessment procedures see IRM 21.4.6.4.1.1, Tax Offset Reversal.

5.19.2.6.7.3
(05-03-2019)
**Levy Payment
Procedures**

- (1) If the credit is a levy payment Designated Payment Code (DPC) 04, 05 or a mis-applied levy payment with a DPC 99, research the entity to determine what modules were included in the levy. The research may include previous balance due modules with a TC 670, DPC 05 or 99, identifying a levy payment. Research all cross reference TIN's for possible origin of the levy.
- (2) Transfer the applicable credit(s) to an existing identified module(s) that were included in the levy to full pay. If all levy modules are no longer in balance due status, offset or transfer credit to any other outstanding liabilities that were not subject to the levy. Follow the procedures in this section for further actions to be taken.

Caution: "Other outstanding liabilities" does not include individual SRP module(s). Surplus levy proceeds may not be applied to individual SRP modules. (MFT35 and MFT65 beginning January 1, 2016).

Caution: Do not transfer payments to a cross reference entity unless you are able to verify the source of the levied funds is liable for the cross referenced debt.

Note: It has been identified that levy payments are being processed with a DPC 99- miscellaneous payment. It may be necessary to utilize RTR system or request the source document to research payment. It also may be necessary to contact the taxpayer to provide the levy source information if necessary to release the levy.

- (3) If no balance due(s) module is identified as the origin of levy issuance, input a credit transfer to move the credit to the original levy module to allow the payment to refund to the taxpayer. Use bypass indicator 1, if required. If the balance due module(s) is identified as a Debtor master File (DMF)- with a TC 130, input the credit transfer to the original levy module to allow the payment to offset (TC 896) to the DMF account.

Caution: If there is a SRP (MFT35) balance due module, you will need to use a TC 570 when moving the payment back to the original levy module and a manual refund will have to be completed.

- (4) If a levy payment posted to a module(s) with no assessment and no indication of other outstanding liabilities on the account and the payment was received within the last 2 years, transfer the payment to the latest full paid module in order for the payment to be refunded with interest. See IRM 5.19.6.23.1, Researching LEVYPMT Transcripts and Open LEVY Control Bases.

Caution: If there is a SRP (MFT35) balance due module, you will need to use a TC 570 when moving the payment back to the original levy module and a manual refund will have to be completed.

Note: Do not move credit to a module on retention register; it will create an un-postable. The module(s) must be moved back from retention before input of credit transfer. This does not apply to modules in temporary retention.

- (5) If the levy payment was received after the 2 year period and a telephone number is available, attempt to call the taxpayer before sending Letter 112C or other appropriate letter, to request the taxpayer's intent for disposition of the

credit or a claim for a refund. If you determine the levy payment is statute barred, see IRM 5.19.6.23.1, Researching LEVYPMT Transcripts and Open LEVY Control Bases for additional guidance, if necessary.

Caution: When talking to the taxpayer, if there is a SRP (MFT35) balance due, you can't ask them to apply the credit to this outstanding liability. If they inform you that they want the payment applied to the SRP balance, you can move the credit per their request.

- (6) If you determine the levy has been full paid, prepare a Form 668-D, Levy Release form. Refer to paragraph 8 to determine levy origin. You have the option to mail the 668-D to the levy address, but faxing would be more efficient. The taxpayer should be notified a levy release was issued. Refer to IRM 5.19.6.23.1, Researching LEVYPMT Transcripts and Open LEVY Control Bases for additional guidance.
- (7) **For IMF entities only:** If a wage levy is identified, is full paid and proceeds have been misapplied to other tax periods, a Form 668-D must be prepared to release the levy.
- (8) Determine the origin of the levy source prior to completing Form 668-D. Research all modules for posted returns, full paid modules and temporary register for possible mis-applied payment and origin of the levy. It may be necessary to order ISRP transcripts or utilize RTR to order/research the last payment to assist in determining the levy source(s).
- (9) If the payment is a DPC 04, 05 or 99 and you determine it is not a true levy payment, change the DPC to "00" (zero, zero) and continue with procedures in IRM 5.19.2.6.7.1, Credit Balance Research Procedures also see IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures.

Note: The DPC can be changed on a payment (ADD24, ADD34). If the credit is to be left on the account, a credit transfer must still be made to change the "DPC". This can be accomplished by transferring the credit back to the same account module and at the same time, change the DPC code to "00" zeroes.

5.19.2.6.7.4
(02-02-2016)
**Input of TC 971 AC
296-Credit Research
Completed**

- (1) After all research has been completed and it is determined that the credit(s) and/or payment(s) will remain on the module, a TC 971 AC 296 **must be input** to identify that all necessary research was completed and provides an audit trail for future reference.
- (2) Follow the steps below for input utilizing CC REQ 77:
 - Input TC 971 in the "TC field"
 - Input AC 296 in the "TC 971/151- CD field"
 - If a cross reference TIN was also researched, input the cross reference TIN in the "X-REF TIN field"
- (3) Input TC 590, 591 or 593 with the appropriate 2 digit code using CC FRM49.

Note: TC 590, 591 or 593 can not be input on a module with a credit balance unless a TC 971 AC 296 input. An error message will display alerting to "Resolve Credit Balance", and will not allow the input of the TC 590, 591 or TC 593.

- (4) Input of TC 971 AC 296 is only required once for a tax module with multiple credits at the time of the research.
- (5) If a prior TC 971 AC 296 has posted on a module with subsequent credit(s) or payment(s), additional research must be completed and, **another** TC 971 AC 296 input to indicate all credits and/or payments cannot be resolved and will remain on the module.

5.19.2.6.8
(11-28-2022)

Transcript Overview

- (1) Transcripts are generated systemically when certain predefined criteria is met and unresolved condition(s) remain on an account for a specific length of time. The criteria is established when expected module activity has occurred or some manual intervention may be necessary to resolve the account.

Note: When working CSCO transcripts, take a count for each module resolved.

- (2) If a transcript account is six years or older from the current tax year and there is no credit(s) posted, input a Transaction Code (TC) 590 cc 077, no managerial approval is required.
- (3) If a transcript account is six years or older from the current tax year and there is credit(s) posted, IRM 5.19.2.6.7, Credit Balance Overview, before closing the module with the appropriate TC 59X.
- (4) **There are three types of transcripts that are generated:**
 - a. **TDI Research Transcripts (TDI-)**- generates on a module with an unresolved TC 599/594 and a (TC 150) has not posted.
 - b. **Accounts Maintenance (AM 18)** – generate on a credit balance module where the tax return has not posted. A follow-up transcript will generate every 26 cycles until the case is resolved. Unresolved AM-18 transcripts will generate as a DIAGQ transcript after one year.
 - c. **Diagnostic (DIAG) Transcripts** - there are two types : DIAG P and DIAG Q. Compliance Services Collection Operation (CSCO) receives DIAG Q transcripts. Transcripts generate weekly on entities and modules with systemic, programming or computer operation problems.
- (5) For IMF TDI transcripts listed above with a return secured from taxpayer in bankruptcy (TC 599 cc 067) or open bankruptcy with credit(s) on the module for either the primary or secondary SSN , prepare Form 4442 and fax to (855) 383-9728

Note: See SERP Who/Where - Insolvency (Bankruptcy) Tools -*Insolvency National Field/Centralized Site Directory*

- (6) If the account has an open or unreversed TC 520 present (-V or -W freeze) with closing codes (cc) 60 - 67, 81 or 83 - 89, and your transcript has a credit balance:
 - fax a copy of IMFOLT or TXMOD print showing the credit or payment on the module along with Form 4442, Inquiry Referral, to:
 - Centralized Insolvency Operation (CIO) Payment Team at fax number (855) 383-9728.
 - On the Form 4442 explain you are working a credit balance transcript on an account with an open TC 520.

- Once the Form 4442 has been sent to CIO, close the case and input AMS comments of actions taken.

(7) All assessment statute period transcripts should be worked on a priority basis. When requesting returns from files, review all statutes before reprocessing. Per IRM 3.11.154.3.6 I, Statute Returns and IRM 25.6.1.8, Original Delinquent Returns, statute clearance is not necessary on original secured returns by Compliance employees being forwarded for processing.

Exception: If you receive a tax return that requires statute clearance see IRM 5.19.2.6.4.5.12, IMF Response with Original Return.

(8) All IMF TDI transcripts are downloaded onto the Account Management Services (AMS) database inventory.

(9) When working a TDI transcript and there is a credit available for offset or refund (not statute barred) and **you are able** to determine where to apply the credit for offset or refund the credit, take appropriate actions to resolve the credit, and send a Letter 672C, Letter 2358C or appropriate letter using the correct paragraphs to inform the taxpayer of the offset or refund.

Note: If unable to determine where to apply the payment or credit (including credit elect), see IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures.

- (10) When working credit balance transcripts and payments are posted to the Spouse's account, make sure before you transfer them to a joint account that the payments are not included in the **TC 806 amount of the joint account**. You can verify by:
- Checking IRPTR on both TINs to find the exact "Withholding amounts" and then add the payment(s) and see if it equals the TC 806 amount on a joint account.
 - If the payment(s) **is not included** and research shows spouse filed a joint return, then transfer to the joint account, as appropriate.
 - HOWEVER, if you see that payment(s) **is included** in the TC 806 on the joint account, do the following: input TC 290 .00, TC 807 difference from the total payment(s) amount, use Hold Code "2" and Priority code "1" or "8" (if prior TC 170 posted), then after the adjustment is input, **transfer the payment(s)** from spouse to joint account. **DO NOT SEND A CLOSING LETTER DUE TO IRS ERROR**. Only document AMS comments of actions taken.

Note: If working any credit balance transcript and a **TC 460, Extension of Time to File**, is on the spouse's module and you are transferring the credits/payments to the joint account, please follow IRM 5.19.2.6.7.2, Credit Offset or Refund Procedures, for additional information of removing and re-inputting the TC 460.

- (11) When the credit/payments are statute barred and the credit/payment date is at least 5 years old, you can transfer to the Excess Collection file (XSF). For specific procedures, see IRM 5.19.2.6.8.3, Accounts Maintenance (AM) 18 Transcripts.
- (12) When working an AM18 transcript and the credit/payments are Levy payments, CSCO employees route transcript to appropriate ACSS site for resolution.

5.19.2.6.8.1
(11-06-2015)

**TDI Research (TC
594/599) Transcript -
Manual Work Processing**

- (1) Transcripts generate on accounts with an unsatisfied or unreversed TC 594 or 599, to resolve the issue, regardless of the module balance. There are many reasons a tax return was not processed, and each transcript is unique. This section only gives general guidance and is not exclusive of actions needed to resolve the account.
- (2) IMF transcripts will generate if a TC 150, 590, 591, 592, 593, 596, 597, 914, 916, 918, 976 or 977 does not post within 30 cycles after TC 594/599 posting cycle.

Exception: If the TC 594 contains closing code 022, 023, 033, 034, 058, 059, 083 or 084, a transcript will not generate.

5.19.2.6.8.2
(11-28-2022)

**Resolving TDI Research
(TC 594/599) Transcripts**

- (1) Research IDRS using **.CC TXMOD**. If the following transaction codes are present on the module, close the IDRS control base, **no action**.
 - a. TC 150, PN 150, AP 150, CU 150
 - b. TC 590, 591, 592, 593, 595, 596 or 597
 - c. DC 150, RJ 150, RS 150 posting within 10 cycles of the current date
 - d. TC 594/599 posting within 10 cycles of the current date
 - e. TC 914, 976 or 977
 - f. TC 916 or 918
 - g. TC 610 posted within 10 cycles of the current date
 - h. An Unpostable TC 150 or TC 599 with a cc 046, 071 or 096, which identifies a non-taxable return. (TC 150-0).
 - i. An Unpostable TC 171 or 322 if the condition was caused by the TC 150 attempting to post and posted within 10 cycles of the current date.
- (2) Research the account and follow the chart below if:
 - the return is being reprocessed or
 - the return was secured from the Submission Processing Files with original IRS received date.

Note: Per IRM 3.11.154.3.6, Statute Returns and IRM 25.6.1.8, Original Delinquent Returns, statute clearance is not necessary on original secured returns by compliance employees being forwarded for processing.

Exception: If you receive a tax return that requires statute clearance see IRM 5.19.2.6.4.5.12, IMF Response with Original Return.

If	And	Then
<p>Research indicates the TC 594 was input in error, a TC 599 issue can not be resolved,</p> <p>Note: Definition of error indicates TC 599/594 was input on incorrect tax period. Example- AMS states secured return on 2008; however TC 599 input on 2009.</p>	<p>Taxpayer is not liable for this period only,</p>	<ul style="list-style-type: none"> For IMF: Input a TC 590 cc 076 Document findings and actions as appropriate on AMS. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures. See IRM 5.19.2.6.7, Credit Balance Overview before inputting TC 59X with appropriate closing code. ACS/ACSS employees, if credit is a levy payment, see also IRM 5.19.2.6.7.3, Levy Payment Procedures. If credit/payment is statute barred and the payment date is at least 5 years or more, you can transfer to Excess Collections file (XSF), see IRM 5.19.2.6.8.3, Accounts Maintenance (AM) 18 Transcripts.</p>
<p>Research indicates the TC 594 was input in error, a TC 599 issue can not be resolved,</p> <p>Note: Definition of error indicates TC 599/594 was input on incorrect tax period. Example- AMS states secured return on 2008; however TC 599 input on 2009.</p>	<p>Taxpayer will not be liable for future periods,</p> <p>Note: For IMF, this is only for deceased taxpayer's.</p>	<ul style="list-style-type: none"> Input TC 591 cc 075. Document findings and actions as appropriate on AMS. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures, see IRM 5.19.2.6.7, Credit Balance Overview, before inputting TC 59X with appropriate closing code. ACS/ACSS employees, if credit is a levy payment, see also IRM 5.19.2.6.7.3, Levy Payment Procedures. If credit/payment is statute barred and the payment date is at least 5 years or more, you can transfer to Excess Collections file (XSF), see IRM 5.19.2.6.8.3, Accounts Maintenance (AM) 18 Transcripts.</p>

If	And	Then
<p>Research indicates the TC 594 was input in error, a TC 599 issue can not be resolved,</p> <p>Note: Definition of error indicates TC 599/594 was input on incorrect tax period. Example- AMS states secured return on 2008; however TC 599 input on 2009.</p>	<p>Taxpayer is Liable, or Taxpayer is Liable and DC 150, RJ 150, RS 150 posting to the module after 10 cycles and cannot pull the return from Files (return is not available),</p>	<ul style="list-style-type: none"> • If a telephone number is available, attempt to contact the taxpayer before sending Letter 282C , or an appropriate letter requesting a copy of previously filed return. • If contact is made by telephone, Tell the taxpayer to sign (both taxpayers, if joint filing) and date the return. Annotate "RD" on top of the tax return so it can be processed appropriately. Provide the correct CSCO's return address, see Exhibit 5.19.2-2, CSCO Non-filer Campus Addresses. • If the module is Little or No Tax due or a PC-B case, input a TC 590 cc 077. No 592 required. • Document findings and actions as appropriate on AMS and close control. <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures. See IRM 5.19.2.6.7, Credit Balance Overview prior to input of TC 59X with appropriate closing code. ACS/ACSS employees, if credit is a levy payment, see also IRM 5.19.2.6.7.3, Levy Payment Procedures. If credit/ payment is statute barred and the payment date is at least 5 years or more, you can transfer to Excess Collections file (XSF), see IRM 5.19.2.6.8.3, Accounts Maintenance (AM) 18 Transcripts.</p>

5.19.2.6.8.3
(11-28-2022)

**Accounts Maintenance
(AM) 18 Transcripts**

- (1) Semi-annually a CP 80 is systemically generated to taxpayers with modules in ST 06, a credit balance and no tax return posted. The CP notice requests the taxpayer to file a return (with signature).
- (2) Six months before the credit expires, a systemic last chance notice (CP 81) will be sent to the taxpayer explaining the credit will expire in six months.
- (3) If the credit balance is not resolved before the statute expires, it will systemically transfer to the Excess Collection file after 51 months of no module activity. There are two exceptions:
 - a. A previous TC 594/599 TDI research transcript with a credit balance was not resolved, or
 - b. The credit balance is from a TC 670 and the Designated Payment Code (DPC) indicates a levy payment.
- (4) AM-18 transcripts generate:
 - 40 cycles after an unsatisfied or unreserved TC 594/599,
 - 20 cycles after any TC 590, 591, 593, 597 or 598 if the DPC indicates a levy payment.

Note: These types of transcripts should be routed to appropriate ACSS site for resolution.

- (5) The AM-18 transcripts generate on a weekly basis and are assigned through AMS.

Note: If there is an unpostable TC 150 condition, see IRM 5.19.2.6.8.2, Resolving TDI Research (TC 594/599) Transcripts, for further actions.

- (6) If a module has a TC 595 present and no TC 420, TC 421 or TC 300, follow procedures in paragraph 7 second if and then chart.
- (7) For transcripts with TC 595 and TC 420 present, research IDRS command code AMDISA to determine if the case is still open in Exam.

If	Then
Case is open in Examination,	Take no further action and destroy the transcript. Close the case and document AMS as no action .
Case is open in Examination and there is no TC 420, TC 421 or TC 300 present and it has been a year since the TC 595 was input	<ol style="list-style-type: none"> 1. Reverse the TC 595 with a TC 592. 2. Resolve the credit balance per the Credit Balance Section IRM 5.19.2.6.7, Credit Balance Overview.
Case is not open in Examination. (no TC 420, TC 421 or TC 300 present)	<ol style="list-style-type: none"> 1. Reverse the TC 595 with a TC 592. 2. Resolve the credit balance per the Credit Balance Section IRM 5.19.2.6.7, Credit Balance Overview.

- (8) If there is a TC 596 present, contact Criminal Investigation (CI) to resolve the credit balance.
- (9) If working a previous TC 594 TDI research transcript and the TC 150 posted under the primary SSN, follow the procedures in IRM 5.19.2.6.5.1.2, IMF - TIN and Entity Problem, Taxpayer Filed a Joint Return.
- (10) If an AM-18 transcript is generated and research shows a return has now posted or an assessment has posted to the account, close the account as "No Action".
- (11) If none of the above conditions exist and the credits are **not** statute barred take the following actions:
- If telephone number is available attempt to call the taxpayer
 - Research credits and input a TC 971 AC 296 prior to sending a letter
 - If no telephone number available or taxpayer is not reached by telephone, send a 112C or other appropriate letter
 - **Close the transcript open control base** and follow procedures in table below.

Exception: ACS/ACSS employees, If payments are non-statute barred levy payments see IRM 5.19.2.6.7.3, Levy Payment Procedures.

If	Then
A previous TC 59X is on the module and the taxpayer is liable,	<ol style="list-style-type: none"> 1. Research credit and input TC 971 AC 296. 2. Input TC 592 to reverse the previous TC 59X, using FRM49 and accelerate account to ACS per IRM 5.19.2.6.1.1, Accelerate and/or Delay To TDI Status 03. 3. Document AMS of actions taken.
The taxpayer responds to a CP 80 generated from AM-18 Transcript,	<ol style="list-style-type: none"> 1. If telephone number is available attempt to call the taxpayer 2. Research credits and input a TC 971 AC 296. 3. If no telephone number available or taxpayer is not reached by telephone, send a Letter 112C or other appropriate letter 4. Document AMS of actions taken.
The taxpayer responds to a CP 80 (IMF) from an AM-12 Transcript,	Forward the response to the appropriate AM function.
The account is a PC-B, Little or No Tax Due or over 6 years old,	<ul style="list-style-type: none"> • After researching credit, input a TC 971 AC 296 . Note: No managerial approval is needed when working transcripts. • Input a TC 590 CC 077. • Document AMS of actions taken.

- (12) If working a credit balance transcript where any credits or payments are statute barred and the payment dates are at least 5 years old or more, prepare Form 8758, Excess Collections File Addition, see IRM 3.17.220.2.1.1, Preparation of Form 8758.

Exception: ACSS employees, If the module has a TC 594/599 and there are levy payments with Designated Payment Codes (DPC) of 04, 05, 16, 18, 20, 21 or 99, you must follow procedures in IRM 5.19.2.6.7.3, Levy Payment Procedures, before transferring to excess.

Note: Normally, a statute barred credit/payment will systemically be cleared to zero with a TC 388 after 51 months of no activity on the module. However, in some instances, the credit will appear back on the module (TC 389) indicating activity. Therefore, transferring credits with payment dates at least 5 years old to excess will avoid future credit balance transcripts.

- (13) Send Form 8758 to the appropriate area based on the first two digits of DLN of the payment you are sending to excess and route based on SERP - Who/Where tab - for *Excess Collection* contacts.
- (14) If the credit or payment cannot be transferred or refunded and is statute barred and the date of the credit or payment is less than 5 years, input TC 971 AC 296, see IRM 5.19.2.6.7.4, Input of TC 971 AC 296 - Credit Research Completed.
- (15) If the account has an open or unreversed TC 520 present (-V or -W freeze) with closing codes (cc) 60 - 67, 81 or 83 - 89, refer to IRM 5.19.2.6.8, Transcript Overview, for further actions.

5.19.2.6.9
(11-06-2015)

Diagnostic-Q Transcripts

- (1) Diagnostic-Q (DIAG-Q) transcripts generate weekly and prior actions (i.e., TC59X, credit balances or freeze codes) must be reviewed to determine if the module was worked appropriately. Follow the appropriate procedures to resolve the issue.

Note: Although not all DIAG-Qs require action, they are used to identify and remove unnecessary modules/accounts from the Taxpayer Information File (TIF).

- (2) DIAG-Q Transcripts are identified by a one character type code:

- M, D, E, O, F, R, 1-9, A, S, G, or C in that priority order
- These codes are in the transcript heading, and each type is sorted together

Exception: Types **F**, **O**, and **M** are sorted by assignee employee number

- The number types "1-9" identify the number of years the account has been on the TIF
- Refer to IRM 2.9.1.18.3.2, Type Definition of DIAG-Q Transcripts for detailed definitions of the above indicated type codes

- (3) Document AMS comments with the following information:

- DIAG-Q type
- Reason code
- Any actions taken

Note: When working DAIG-Q transcripts, take a count for each **module** resolved.

5.19.2.6.9.1
(11-06-2015)

General Procedures for Diagnostic-Q Transcripts

- (1) Review DIAG-Q transcripts immediately upon receipt.
- (2) Return the following DIAG-Qs to Service Center User Support:
 - Type P
 - Type O with a Transaction Code (TC) 150 or TC 240
 - Type A, unless requested by CSCO through User Support
 - Freeze Code -Z-, Y-, or -X
 - Freeze Code -A or -L without a -W, -V, or -Y
 - Non-Collection issue
 - Open control base for a non-Collection function
 - Transcript does not meet criteria for generation

- A credit balance with a settled return (only if the Assessment Statute Expiration Date [ASED] is more than 180 days). If the ASED is within 180 days, route to the Statute function.
- (3) When the DIAG transcript show TSiGN 8000, do the following:
- No associated balance due modules, destroy the transcript.
 - There are associated balance due modules, TSiGN to 0000 using CC ASGNI.
- (4) When the transcript shows an open CSCO control base (upper right corner) route to the employee or group assigned.
- (5) When the transcript shows an open territory/area office Collection control base **do not route**, work per procedures below.

Note: In some instances , User Support will route the transcripts to CSCO as stated above.

- (6) DIAQ-Q code types follow and will be delivered through Account Management Services (AMS).

If	Then
Type D Note: these have a TDI-MOD-STATUS-CD of 1 or 9	<ul style="list-style-type: none"> • Research on IDRS to determine if the return delinquency is actually open • If not, the module should be closed on IDRS with appropriate TC 59X
Type O (No TC 150 or TC 240) Note: these transcripts contain an open control base	<ul style="list-style-type: none"> • Determine if the transcript should be routed to the open control base or should be closed • Once the control base is closed, it will drop off from IDRS
Type R (No TC 150 or TC 240)	<ul style="list-style-type: none"> • Review to determine if there are any unusual cases or potential problems • Resolve if possible using the return delinquency procedures
Type 1-9 (No TC 150) Note: These transcripts are generated for modules with unresolved conditions that have been on IDRS for one, two, three years, etc.	<ul style="list-style-type: none"> • Analyze the module to determine resolution • See IRM 5.19.2.6.9.2, Diagnostic-Q - Return Delinquency/TDI Numerics, and subsections for further information

- (7) When working a DIAG-Q transcript:

If	And	Then
There is a credit available for offset or refund	You are able to determine where to apply the credit	<ul style="list-style-type: none"> Resolve the credit, see IRM 5.19.2.6.7, Credit Balance Overview Send a Letter 672C (credit offsets), Letter 2358C (TDI closing) or appropriate letter to inform the taxpayer of the offset or refund Document AMS comments per IRM 5.19.2.6.9, Diagnostic-Q Transcripts
There is a credit or payment not available for offset or refund	The credit is statute barred	<p>Follow procedures in IRM 5.19.2.6.8.3, Accounts Maintenance (AM) 18 Transcripts</p> <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590, 591 or 593, see IRM 5.19.2.6.7, Credit Balance Overview.</p>
Sending a letter to the taxpayer	Requesting additional information	<ul style="list-style-type: none"> Document AMS comments per IRM 5.19.2.6.9, Diagnostic-Q Transcripts Indicate type of letter sent Do not hold the account open to wait for response. Taxpayer responses to these letters will be batched as new RD work.
Working the various types of DIAG-Q transcripts	You identify issues/problems either from systemic or procedural guidance	Contact your local Planning and Analysis staff prior to contacting Headquarters for assistance.

- (8) Every TIF module contains a reason code reflecting the highest priority criteria for which the module is being retained on IDRS. The reason codes found on (CSCO) DIAG-Q transcript modules for return delinquency are EE, QQ, SS, RF, T1, T2, T3, T4, T5 and 33. A complete list of reason codes can be found in IRM 2.9.1, Exhibit 2.9.1–1, Reason Codes.
- (9) See the table below for a summary of these reason codes found on module types “T” (tax module) or “E” (entity);

Reason Codes	Module Type	Aging Factor in Cycles	MF Extraction/TIF Retention Criteria
33	E & T	MFEXCL (Master File Exclusive) reason code; module will remain on the TIF/IDRS until MF extracts or assigns the module a different reason code.	MF: For entities: One of the following must apply: For "E" entity module: 1. Temporary TIN or Account TIN changed current cycle. 2. TC 130 with blocking series 200 posts. For "T" tax modules: 1. A freeze or hold condition is present on the module. TIF: Tax module is in Service Center Status 53 and the COLL-CLOSING-CD is equal to 90 or 93 (valid for tax module only).
EE	T	MFEXCL	MF: One of the following must apply, 1. Tax module is in TDI status. 2. Module is in TDI notice status with a credit balance. 3. Module is in TDI notice status (status code 02) and another module in the account is in TDI status (status code 03). 4. Module is in TDI fourth notice status (TDI indicator code 7). For EPMF the module is in TDI or TDI notice status. TIF: N/A.
QQ	E & T	12 for entity	MF: N/A TIF: 1. For entities; CURRENT-CYC minus the CLOSURE-CYC of the ENT-TDI-COMPLIANCE-REC is less than 12. 2. For tax modules; Contains TDI-MOD-STATUS-CD equal to (1,4,5,6,7, or 9) or DELAY-TDI-CD equals 2 and the TDI-MOD-STATUS-CD equals 0 and the MF-STATUS is less than 06.
RF	T	MFEXCL	MF: The module is frozen due to a TDI Refund Freeze. TIF: N/A
SS	T	5	MF: N/A TIF: All of the following must apply; 1. Tax module contains TDI-MOD-STATUS-Cd of 0. 2. No TC 150 is present in the module. 3. Module contains a pending or posted TC 474. 4. Current cycle minus the TC 474 cycle is less than 5. 5. There is no subsequent TC 590, 591, or 593-599 (if posted and pending transactions have the same cycle, consider the posted subsequent to the pending).
T1	T	none	MF: N/A TIF: All of the following must apply: 1. Current Master File Status is 23. 2. TDI-CD not equal to 0, 2, 8, 9, T, X, Y, or space. 3. RWMS-QUEUE is 0 or 1.

T2	T	64 (from MOD-STATUS-CYC- of TIF-50)	MF: N/A TIF: Tax module TDI-CLOSURE-TYPE is equal to 8 and the TDI-CD is equal to 1, 2, or 8 .
T3	T	4 (from TRANSFER-CYC of TIF-32)	MF: N/A TIF: Account TDI-CD is equal to T (transfer) and the module TDI-MOD-STATUS-CD is significant (not equal to zero or blank) for .
T4	T	3 (BMF, EPMF, NMF), 10 (IMF) from (MOD-STATUS--CYC of TIF-50)	MF: N/A TIF: Module TDI-MOD-STATUS-CD is equal to 2 or 8 and account TDI-CD is significant .
T5	T	26	MF: N/A TIF: Current cycle pending transaction "DI "590 with closing code 20 or 75 (recall trans).

5.19.2.6.9.2
(02-15-2022)
**Diagnostic-Q - Return
Delinquency/TDI
Numerics**

- (1) DIAG-Q numerice transcripts generate weekly to identify potential problem modules on the TIF data base and to randomly review content.
- (2) Some problems could be:
 - a dummy module less than three cycles old,
 - accounts in TDA status,
 - accounts in TDI status,
 - modules containing any open pending transactions,
 - modules with open control bases,
 - and Accounts Maintenance transcripts not previously resolved
- (3) For more information on DIAG-Q transcripts, see IRM 5.19.10.8, -Q Transcripts.
- (4) When resolving a numeric DIAG-Q, consider the items contained in the following sections.

5.19.2.6.9.2.1
(01-16-2015)
TIF 32 Record

- (1) The TIF record must be researched for each case. The account cannot begin or continue notice issuance, accelerate to TDI, or recognize a satisfying transaction without the TIF 32 record. The absence of the TIF 32 record is a common restrictive condition. To check for a TIF 32 record, the module must be on CC TDINQ, see IRM 2.3.26, Command Code TDINQ.
- (2) If the TIF 32 record is not present and the module should begin or continue notice issuance, accelerate to TDI, or a TC 59X should be input to satisfy the module, the TIF 32 Section must be built. Document AMS comments and monitor for the compliance record to be shown on TDINQ:
 - a. If IMF, input CC TDIRQ using definer "R" and enter; then use either Request Type "C" or "S" as stated below. The module will update over the next weekend. See IRM 2.4.26-13, TDIRQ Request Type "C", for when entity data and tax module data are present on IDRS and the account is not in Notice or TDI Status. If no data is present on IDRS, use CC FRM49 to input TC 474's for each tax module requested prior to

inputting the CC TDIRQ request. CC FRM49 will establish the entity and build the tax modules. CC TDIRQ may then be used to build TDI Compliance Data. Input is not valid for Memo accounts. See IRM 2.4.26-14, TDIRQ Request Type “S”, for IMF requests when no account data is present on IDRS. An entity module and a TDI Compliance record will be built. Request Type Code “S” will build a TDI Compliance record for an existing account if a TDI Compliance record is not present. Input is not valid for Memo accounts.

- (3) Once the TIF 32 record is present and the module is updated, review the module. If the criteria that caused the DIAG-Q to generate no longer exist, monitor until any expected activity occurs. (For example: monitor until the notice/TDI is issued OR if a satisfying 59X was previously input, monitor until the TIF TDI module indicator is closed). Then destroy the transcript. Document AMS comments with the following information: DIAG-Q type, reason code and any actions taken.

5.19.2.6.9.2.2
(04-23-2021)
Reason Codes

- (1) A reason code is assigned to each module on the TIF to explain why it is present on the TIF. The reason code reflected on the diagnostic transcript is the highest priority reason code related to the module. Follow the instructions below for addressing reason codes commonly encountered when working DIAG-Q transcripts.
- (2) If the reason code is EE, QQ, or 33 and the MFT is not 01 or 11, and any of the following conditions are met, input TC 590 cc 019;
- Module is a PC-B;
 - The tax period is more than six years from the current processing tax year.
- (3) If the reason code is EE or QQ, and the module is a Non PC-B, it is less than six years from the current processing tax year , and the module does not meet any of the above criteria,

If	And	Then
TC 610 is present.	ASED is within 6 months,	1. Input history item DIAGTOST. 2. Route to statute function.
TC 610 is present.	ASED is more than 6 months,	1. Input history item DIAGTOAM. 2. Route to the appropriate Account Maintenance function.

If	And	Then
No TC 610 is present	Intentionally left blank	<ol style="list-style-type: none"> 1. If telephone number is available, attempt to call the taxpayer before sending Letter 112C or an appropriate letter. If unexpired credits available use the appropriate selective paragraphs. 2. Before sending a letter, make sure TIF 32 record is present and if not present on CC TDINQ, follow IRM 5.19.2.6.9.2.1, TIF 32 Record. 3. Input appropriate AMS comments such as "DIAG 112C sent". Close open control base.

5.19.2.6.9.2.3
(11-28-2022)
Freeze Codes

- (1) Identify and research the freeze code and its condition before taking action on an account. It is possible for a combination of freeze codes to be present on a module. You must take all of them into consideration. Refer to *ADP-Document 6209*, section 8 which contains a complete list of freeze codes and their explanations. It also contains information on how to release the freeze. Some freeze codes you will be able to release, and some may require contact with other areas.
- (2) If the freeze code is not a Collection issue, contact the function responsible for resolving the freeze via telephone or Form 4442 referral requesting to resolve the freeze condition and provide any necessary information.

Note: In some instances the freeze condition may still be necessary. If so, input history item DIAG CRNT and destroy the transcript.

5.19.2.6.9.2.4
(11-28-2022)
MF Status/Module TDI Indicator Comparison

- (1) A complete list of MF/Status TDI Indicator Codes can be found in the *Document 6209*, Section 11.
- (2) If the TIF (IDRS) TDI module indicator is 2 (closed TDI) and the Master File status shows MF-ST>3 (open TDI status) which does not match, input a TC 590 cc 019 and TC 592 on the same day and monitor for posting. After monitoring for 2 cycles;
 - If the TIF TDI module indicator is 1 (open TDI) and the Master File status is MF-ST>02 or 03 (open TDI) which now matches as open TDI, and the criteria that caused the DIAG-Q to generate no longer exists, close your control base and document AMS comments such as "Corrected the mismatch condition on the DIAG-Q transcript so both TDI indicator and MF status are now in open TDI status".
 - If the DIAG-Q criteria still exist, research the account for other restricted conditions and resolve following the appropriate procedures within.

- (3) If the TIF module TDI indicator is open, (even though there is a non-Substitute For Return (SFR) TC 150 or other satisfying transaction posted to the module), ensure the TIF 32 record is present see IRM 5.19.2.6.9.2.1, TIF 32 Record. Input AMS comments as appropriate such as DIAG TCxxx, satisfying TC (e.g. TC 150, TC 590, etc.).
- (4) If the TIF module indicator is blank, the reason code is QQ, and no balance due, coordinate with User Support to have the module removed from the TIF using Form 6759. Input history item DIAG#TOUS.
- (5) If the TIF module indicator is not blank or closed and the Master File filing requirement is 8, ensure the TIF 32 record is present per IRM 5.19.2.6.9.2.1, TIF 32 Record, input a TC 597 cc 082, and resolve any credit balance per IRM 5.19.2.6.9.1, General Procedures for Diagnostic-Q Transcripts, in paragraphs 6 and 7. If a TC 540 is posted without a TC 150 and there is a requirement to file, send Letter 2268C or other appropriate letter requesting that the return be filed for the deceased taxpayer.
- (6) If a TC 540 is posted without a TC 150 and there isn't a requirement to file, input a TC 591 cc 075/025 to close the module.

Note: If a return is received the TC 540 must be reversed before a TC 599 can be input. Code the return with the Condition Code 'F' and send for processing.

- (7) If the TIF module indicator is 9, ensure the TIF 32 record is present per IRM 5.19.2.6.9.2.1, TIF 32 Record, and input history item DIAG#MRG. Research the account for other restrictive conditions and resolve following the appropriate procedures within. If no other restrictive conditions are found, destroy the transcript.
- (8) If the previous master File status of 06 was reactivated to status 02 or 03, research the account for the TIF 32 record. If no TIF 32 record is found resolve per IRM 5.19.2.6.9.2.1, TIF 32 Record. If the TIF 32 record is present, research CC IMFOL E, I, S, T. Review these Command Codes for activity to determine what reactivated the transcript module.

If	And	Then
The activity that reactivated the status 06 has been satisfied	Intentionally left blank	<ol style="list-style-type: none"> 1. Input appropriate AMS comments such as DIAG 597. 2. Input TC 597 cc 082. 3. Resolve any credit and follow procedures in IRM 5.19.2.6.9.1, General Procedures for Diagnostic-Q Transcripts, in paragraphs 6 and 7. IRM 5.19.2.6.7, Credit Balance Overview.
Activity has not been satisfied	The tax period is more than six years old from current tax year,	Resolve per IRM 5.19.2.6.9.2.2, Reason Codes, see paragraph 2 for IMF DIAG.

If	And	Then
Activity has not been satisfied	The tax period is less than six years old from current tax year.	Resolve per IRM 5.19.2.6.9.2 Diagnostic-Q Return Delinquency/TDI Numerics, and appropriate subsections.

- (9) If the TDI status history section shows the module in status 03 with Master File TDI indicator 5 or 6 (TDI) and a matching TIF module indicator, ensure the TIF 32 record is present per IRM 5.19.2.6.9.2.1, TIF 32 Record.

If	Then
The last 4 digits of the assignment number is "8000" (significant SFR/ASFR) see IRM 2.4.27, Command Code ASGNI formerly TSIGN,	<ol style="list-style-type: none"> 1. Follow procedures in IRM 5.19.2.6.9.2, General Procedures for Diagnostic-Q Transcripts, in paragraph 1 in the Note. Input appropriate AMS comments. 2. Destroy the transcript.
The last 4 digits is not assignment number "8000", as stated above.	<ol style="list-style-type: none"> 1. Assign to area office (xxx6401) ASGNB. 2. Input appropriate AMS comments such as assign "to area office" DIAG#XXXX. 3. Destroy the transcript.

- (10) If the status history section is in status 03 with Master File TDI indicator 8 (ACS) and a matching TIF Module TDI indicator, ensure the TIF 32 record is present per IRM 5.19.2.6.9.2.1, TIF 32 Record and the ASGNI is 0000 or 0110. Input and destroy the transcript.
- (11) If the status history section shows the module is in status 03 with Master File TDI status history indicator 7 (ACS) and the TIF module TDI indicator matches, ensure the TIF 32 record is present per IRM 5.19.2.6.9.2.1, TIF 32 Record and the ASGNI is 7000. Input appropriate AMS comments and destroy the transcript.
- (12) If the module is in SC and MF Status 23, or if the TIF module TDI indicator is open, and a TC 150 posted:

If	And	Then
The 150 contains Tax Class/Doc 210	The tax was assessed by SFR/ASFR with a TC 290 or Exam with a TC 300.	<ol style="list-style-type: none"> 1. Ensure the TIF 32 record is present per IRM 5.19.2.6.9.2.1, TIF 32 Record. 2. Input appropriate AMS comments. 3. Destroy the transcript.

5.19.2.6.9.2.5
(01-16-2015)
Location Codes

- (1) If the primary and secondary location codes do not match, or if the TIF TDI account indicator = T (see CC TDINQ), input appropriate AMS comments such as Location Code Change. Ensure that the TIF 32 record, see IRM 5.19.2.6.9.2.1, TIF 32 Record. Document the account to reflect the correct Location Code, see IRM 2.4.9, Command Code ENREQ, INCHG, IRCHG, BNCHG and BRCHG.

5.19.2.6.9.2.6
(01-16-2015)
Module Balance

- (1) If a credit remains on the account, follow procedures in IRM 5.19.2.6.9.1, General Procedures for Diagnostic-Q Transcripts.

5.19.2.6.9.2.7
(11-06-2015)
RS 904

- (1) A transcript will generate when a RS 904 is sent to the TIF because the annual Master File leveling process has removed the module to the retention register and a corresponding module exists on the TIF.

Example: Tax period 1994 has been moved to the retention and a dummy has been created for the same MFT and period to open a control base.

The solution is to close the open control base if the case is controlled to you. If the case is controlled to another employee, contact the employee to close the control base. Once the control base is closed, monitor the case for 3 cycles and the dummy module will be dropped from the TIF.

- (2) A RS 904 will also be sent when a module is incorrectly brought back from retention and a transaction attempts to post to the module. In this case CC IMFOLB must be executed to correctly bring the module from retention. Once the module is available, input CC MFREQC, correct any Unpostable condition, resolve any credits available per IRM 5.19.2.6.9.1, General Procedures for Diagnostic-Q Transcripts, in paragraphs 6 and 7 and monitor until expected activity occurs.
- (3) With the presence of a RS 904 research for a possible attempted merge. Monitor the module until the merge is completed and the module is able to drop from the TIF. If further action is needed to the complete or correct the merge, take the necessary actions to correct, which may involve contacting Entity. Monitor until expected activity occurs, and close the case by inputting appropriate AMS comments such as "merge is complete".
- (4) With the presence of a RS 904 if no retention criteria exists and the module cannot be procedural resolved, or if the module was erroneously created, prepare Form 6759, Request for Taxpayer Data, and route to User Support to have the module removed from the TIF.

5.19.2.6.9.2.8
(01-16-2015)
DIAG Current

- (1) If research indicates recent activity and the module balance is current or the transcript module status has updated since the transcript generated, input appropriate AMS comments indicating "module is current, no action needed" and destroy the transcript. See the following examples:
 - The module has a current (within one year) ASGNI (see IRM 2.4.27, Command Code ASGNI/ASGNB formerly TSIGN) or history item indicating the return delinquency notice process of TDI is in active inventory.
 - The module is now in Master File and Service Center return delinquency status and the next notice is not due to be issued.

- There is a satisfying transaction code that has been pending for less than three cycles.

5.19.2.6.9.2.9
(01-16-2015)

Unpostables

- (1) Use CC UPTIN to research for pending unpostables (Unnn), contact the Unpostable function by telephone to resolve the unpostable transaction from the Generalized Unpostable Framework (GUF). Input appropriate AMS comments and destroy the transcript.
- (2) If there is an unresolved nullified or rejected unpostable or another transcript condition (AM, TDIRSH, etc.), contact the function responsible by telephone to resolve the condition. Input appropriate AMS comments and destroy the transcript.

5.19.2.6.9.2.10
(12-02-2015)

Other Restrictive Conditions

- (1) If there is a “-Y” freeze on any module, or if any module is in status 71, review the module for any unpostable or accounts maintenance condition. If present, route to the centralized Offer In Compromise (OIC) campus, refer to SERP under Who/Where tab for the appropriate OIC campus. Input appropriate AMS comments.
- (2) If there is a -V, -W, or -VW freeze on the account, review the module for any unpostable or accounts maintenance condition. If present, try to resolve by contacting the Territory/Area office Advisory or Insolvency by telephone to release the freeze. If they cannot release the freeze or you are unable to contact the area, then input appropriate AMS comments indicating “no action” and destroy the transcript.
- (3) If there is an unreversed TC 595, research AMDISA. If AMDISA is closed, reverse the TC 595 and secure the return if appropriate. If AMDISA is open, destroy the transcript. Input appropriate AMS comments.

Note: If a year has passed since the input of the TC 595 and there is no TC 420, TC 421 or TC 300 present, reverse the TC 595.

5.19.2.6.10
(11-06-2015)

Return Delinquency On-Line Notice Review (OLNR) System

- (1) The OLNLR system allows tax examiners to review the entity portion of the notices and determine notice disposition.
- (2) ALL IMF CP RD notices are viewed by CSCO employees in Austin and Fresno. The tax examiners verify the accuracy of the notices by comparing the information on the OLNLR system with IDRS entity information.
- (3) The OLNLR system allows the tax examiner to review the notices prior to mailing to avoid printing codes that should be voided and allow editing capabilities when a notice needs correction prior to mailing.
- (4) Notices not reviewed prior to cycle close out will automatically default, print and mail at the Correspondence Production Services (CPS) print sites.

Note: When working through the OLNLR system, utilize IDRS to verify the accuracy of the notices. (i.e., entity, TC 150, TC 590, etc.)

5.19.2.6.10.1
(11-28-2022)

**Overview of On-Line
Notice Review (OLNR)
Process**

- (1) A sample (batches) of CSCO notices will be displayed on the OLN system each week. The batches will be created **Friday**. Each site will be restricted to review the batches of work for their campus. After selecting the week's posting cycle, each batch of work is assigned a unique batch number beginning with "7000" series.
- (2) The OLN batch close out occurs at the end of each cycle. All reviews of batches of work must be completed by the following **Thursday**. If an observed holiday falls on a scheduled close-out day (Wednesday for IMF) ensure all OLN batches are worked by COB the day prior to close out.
- (3) The OLN System utilizes the disposition code data to create the Notice Disposition Reports. There are four weekly reports:
 - a. **The Control-D Web Weekly Report-** is used by employees, leads and managers at the **start of each cycle's work**. The report file names are: **OLNR IMF Delinquency Review Register OLN-IMF CP 518 DELIQ Review Register** The above file name listings will display the same batch number as shown on the OLN system. Managers and/or Leads can use the lists to assign work and keep control of which batch(s) an employee has been assigned on OLN. These lists identify various select codes with definitions (i.e. select code 04 - Decedents, select code 39 - \$100K including broker sales, etc.) which are not displayed on the OLN batches. The listings above will also contain an additional list, "Notice 6+ Years Old". These listings can **only** be located on Control-D web and must be manually printed and distributed weekly to the employees to work.
 - b. **The OLN Web Weekly Report-** is displayed through the OLN web. The report is only accessible for Leads and Managers to view their employee's final determination of the disposition of the notice at the **end of each cycle**. The disposition code (see codes definitions below) entered for each notice will determine how the notice will be handled. Leads and Managers must review at the **end of each cycle's work** close out (Friday or Monday) to verify batch completed. They also can use this report for their managerial reviews by checking the employee's closed batch.
-*ONLINE NOTICE REVIEW Application* for Austin server

Reminder: Fresno CSCO employees must use Austin server for OLN Web Weekly report access.

Note: After close out, batches not worked "Not Reviewed" with disposition code "NR" will automatically change to disposition code "P" for print.

- (4) CSCO will not utilize all the disposition codes as explained in IRM 3.14.1.4.2.2, Notice Disposition Code Table. Disposition codes used for CSCO are defined below. The table below gives a descriptive of the definitions of the disposition codes used by CSCO operation:

Disposition Code	Action
E	Code is used to access the “ entity ” screen to document with any changes. Code E is used for IMF CP 59 /CP 759. If any changes made, leave the code as “E” for printing and mailing. If no entity changes made, change the code to “P” for print.
P	Code allows the notice to be printed and mailed in original condition.
R	Code allows the notice to be re-typed . Code R is used only for IMF CP 516 /CP 518 /CP 616 /CP 618 notices to review IMF pop-up paragraphs (PUPS) and/or make any entity changes. Do not use Code E as it is invalid for IMF 516/ 518/616/618 notices. If no PUPS additions or corrections and/or no Entity changes, change the code to “P” for print.
V	Code is used to prevent a notice from being printed. Use this code when the notice needs to be voided .

5.19.2.6.10.2

(11-28-2022)

**On-Line Notice Review
(OLNR) General
Procedures**

- (1) Notices should be reviewed for accuracy. Research IDRS utilizing, CC ENMOD, IMFOL (definer E and I), SUMRY, TXMOD, INOLES to verify entity information. Check each tax module to verify if other conditions exists (i.e. TC 59X, TC 150, freeze codes, etc.) which will prevent issuance of the notice. For CP 59, CP 759, CP 516 and CP 518, we will only correct the Entity portion of the notice. **IMF Notice Entity Section of the OLNLR Screen**

Display Name	Data Length
Primary Name Line	35
Secondary Name Line	35
Street Address	35
City	25
State	2
Zip Code	12
TIN	12
DLN	17
Entity Type	12
Entity Type #	1
Filing Status Code	1
Entity Change Indicator	1

5.19.2.6.10.3
(02-15-2022)
**IMF On-Line Notice
Review (OLNR)
Procedures**

- (2) The OLNLR system allows tax examiners to correct notices and identity errors caused by programming or systemic problems. If a reoccurring error is identified, contact management to immediately contact Headquarters (HQ). HQ will contact the campus for additional information, if necessary.

- (1) For each cycle, the maximum sample size will be 5 taxpayer accounts for each IMF select code. IMF has approximately 33 select codes, with only a few are pre-selected for each cycle. To open up the CP on the OLNLR batch, use Disposition Code "E" for CP 59 and CP 759 and use Disposition Code "R" for CP 516, CP 518, CP 616 and CP 618, along with other Disposition Codes "P" and "V", see IRM 5.19.2.6.10.1, Overview of On-Line Notice Review (OLNR) Process.

Note: Disposition "R" is only used on IMF 516/518/616/618 CP notices to review pop-up paragraphs (PUPS) screens and/or to review the Entity screen. Disposition E is not valid for these CP notices.

- (2) Check the tax module through Decision Return Delinquency (RD) tool to see if the tax module of the notice meets "below filing requirements (FR)". If it meets below FR, close TC 590 cc 076, use "V" disposition code to void the notice and document AMS with actions taken.

Note: You must review the Select Code (Sel Code) of the notice before you consider to "void" a notice. The Sel Code will assist in identifying the amount of income criteria for filing a tax return. See *Document 6209*, Section 11 under IRP Select Criteria Codes, for the definition to each Sel Code for each tax year. Never void a notice with Sel Code 02 (IRS Employee) or Sel Code 12 (FERDI), unless a return has previously posted. **If a notice is voided, you must document AMS of actions taken as CC TXMOD will not identify the notice was previously voided.**

- (3) Check for cross-reference if there is an indication of a joint filing. If Spouse filed a return under their SSN and it was filed jointly, input TC 594 cc 084 on the SSN of the notice tax module, use "V" disposition code to void the notice and input comments on AMS.
- (4) All select code 02, IRS Employee, are batched separately. A designated CSCO employee at each campus works these restricted notices. The IRS Employee notices are identified with batch number "7000", usually created in cycles 09 and 48.
- (5) Review select code 04, "Decedents", to ensure the words "Decd" or "Estate of" is in the first or second name line. Edit the name line as appropriate.

Note: From your research, you may find that you will need to add the words "Decd" or "Estate of" from any Sel Codes reviewed. Only add "Decd" if there is no indication that the taxpayer has an Estate, refer to IRM 5.19.1.5.3.2, Deceased Taxpayers - Entity Changes, for additional information.

- (6) For researching the PUPS screens on OLNLR for 516/518/616/618 CP notices, there are nine pop-up paragraphs that you can review to add or delete, see Exhibit 5.19.2-1, Pop-up Paragraph Exhibit for On Line Notice Review (OLNR). You are limited to a maximum of 5 pop-up paragraphs per notice. You must

review IDRS (i.e., TXMOD, IMFOLI, IRPTR, etc.) to validate if pop-up paragraphs need to be added or deleted. Two of the pop-up paragraphs require a tax year and is displayed as “YYYY”. Use the same tax year that the notice is being issued on. One pop-up paragraph is for a credit balance amount. Use whole dollars (no cents) and do not enter dollar sign or commas.

Note: If there are multiple notices for the same taxpayer, pop-up paragraphs from the latest tax year will also be displayed on the years prior. It is very important that you validate the prior years pop-up paragraphs as it may not be appropriate for that specific tax year.

- (7) Bad Addresses are notices containing the “service center’s (SC) address”, “SC zip code” see IRM 3.10.72.2.3, Unique Campus Zip Codes, and the words “Local” or “General Delivery” in the address line. Research for a better address using internal sources (i.e. CC IRPTR, NAMES, ENMOD or IMFOLE for a pending address, etc.). For CC IRPTR, use the latest tax year and if there are multiple income source documents, use the greatest income amount source income document for the taxpayer’s address. If internal sources not available, use external sources (i.e. Accurint, USPS web, 411).

Note: Before researching for a better address, always check CC ENMOD first and if there is an Identify Theft indicator (TC 971 AC 522 or AC 501) or IRS is the street address, NO further address research is needed, please input “V” to void the notice.

If	And	Then
A different address is found,	Intentionally left blank	<ul style="list-style-type: none"> Edit the address on the OLN system. DO NOT document the address on CC ENMOD. <p>Note: When address is edited on the OLN system, NPRS will not document Master file.</p> <ul style="list-style-type: none"> Use the most current address data. <p>Note: Use the United States Postal Service web site to verify address standards Pub 28 and to research zip codes look up. Refer to the links below for additional research: <i>USPS - Find Forms and Publications</i> <i>USPS - Zip Code Lookup</i></p> <ul style="list-style-type: none"> Document comments on AMS regarding address information, such as “OL CP 59 address with IRPTRL 2007 W-2 address with 1600 N Street, City, State, Zip Code, or OL CP 59 address with IRPTRL 2007 address with...”.

If	And	Then
Research for new address is exhausted,	There is a telephone number available on CC ENMOD, 411.com, etc.	<ul style="list-style-type: none"> • Verify if Power of Attorney (POA) on file and make one contact attempt to the POA. • If there is no POA on file, attempt to contact the taxpayer. • If contact is successful, use contact procedures per IRM 5.19.5.3.12, Telephone Techniques and Communication Skills. Inform taxpayer/POA that we need to verify their current address as we are sending them a notice regarding the non filing of the delinquent return. <p>Note: When speaking to the taxpayer, inform them that we need to verify their current address because we are sending them a notice regarding non filing of their tax return. If the taxpayer says they will file their return, tell the taxpayer the notice will still be sent to remind them.</p> <p>Important: The first RD notice (CP 59) must be sent to begin the Status 02 notice process.</p>
Unable or unsuccessful to contact the taxpayer by telephone, and/or no potential address found,	Intentionally left blank	<ul style="list-style-type: none"> • For “GENERAL DELIVERY” (addresses with no SC zip code and no potential address found, input “P” to have the notice printed and mailed. • For “Local” addresses with no SC zip code, change the address from Local to GENERAL DELIVERY (must be typed in CAPS) using “E” or “R” disposition code to edit. Do not input a “P” disposition code. • Document comments on AMS of actions taken.
Unable to secure a new address	There is presently a SC address or SC zip code on the entity.	<ul style="list-style-type: none"> • Void the notice using “V” disposition code on the OLNLR system. • Input TC 593 cc 082 using CC FRM49. • Document comments on AMS of actions taken.

- (8) Notice(s) will be automatically suppressed if they are more than 6 years old (filing year plus 5 prior years). These notices will not be included in batches on the OLNLR system. A report on Control-D web will list all suppressed notices more than 6 years old. Check Control-D web **at the beginning** of each cycle to see if a list is available. If available, follow steps below:

If	Then
The account has no assignment,	<p>Input a TC 590 cc 019 (suppress in notice status) on the notice module.</p> <p>Note: If a credit balance remains on the account, you must follow all credit balance research procedures before closing the module with a TC 590. See IRM 5.19.2.6.7, Credit Balance Overview.</p>

If	Then
The account is assigned to RO TSIGN or IDRS assignment number.	Input comments on AMS regarding suppression of notice.

Note: The “Notice 6+ year” listing can only be found on Control-D and must be printed and distributed to employees for processing.

- (9) IMF CAF notices will be part of the sample if a CAF indicator is “present”. If a notice is being “V” for Void, “P” for Print or “R” for Re-type for adding or deleting pop-up paragraphs, the CAF notice will receive the same disposition as the primary notice (excluding the primary entity changes).

5.19.2.7
(11-28-2022)
**Return Delinquency
Identity Theft
Procedures**

- (1) Identity theft occurs when someone uses the taxpayers’ personal information such as name, Social Security number (SSN), Employer Identification Number (EIN), or other identifying information, without the taxpayer’s permission, to commit fraud or other crimes. The procedures in this subsection would apply to Compliance areas when there is an indication of an ID theft situation responding to an return delinquency (RD) notice or inquiry.
- (2) Beginning January 1, 2012, TC 971 AC 522 will include processes to flag accounts at different stages of processing from initial identity theft allegation to closure dependent upon case specifics. Use the following directions when processing Identity theft issues.
- (3) Prior to marking an account with TC 971 AC 522 PNDCLM, UNWORK or IRSID, research ENMOD/IMFOLE to ensure the account has not already been marked. See IRM 25.23.2-10, Initial Allegation or Suspicion of Tax-Related identity Theft Indicators.

If ...	And ...	Then ...
The taxpayer makes an allegation of identity theft thru correspondence	Has not provided : <ul style="list-style-type: none"> A copy of a police report or IRS Affidavit Form 14039, Identity Theft Affidavit 	<ol style="list-style-type: none"> Input TC 971 AC 522 containing the miscellaneous field PNDCLM Send appropriate letter to taxpayer and request they provide the required documentation. Account is in notice status 02, input delay C08. See IRM 5.19.2.6.1.1, Accelerate and/or Delay To TDI Status 03 Document AMS ACS/ACSS update account: “TOV1, XX,DOCREQ” (XX = 30 days past the deadline date, 60 days past the deadline date on international cases.)

If ...	And ...	Then ...
ACS, AM or FA employees	Taxpayer can not fax Form 14039 or a copy of a police report during initial contact and requires more time to send Form 14039 or police report	<ol style="list-style-type: none"> 1. Input TC 971 AC 522 containing the miscellaneous field PNDCLM 2. Request taxpayer mail in documentation as soon as they receive it. (provide taxpayer a deadline of 30 days) 3. Account is in notice status 02, input delay C08. See IRM 5.19.2.6.1.1, Accelerate and/or Delay To TDI Status 03 4. Document AMS 5. ACS/ACSS update account: "TOV1, XX,DOCREQ" (XX = 30 days past the deadline date, 60 days past the deadline date on international cases.)
The taxpayer makes an allegation of identity theft by correspondence, phone or in person	Has provided Form 14039 or a police report	<ol style="list-style-type: none"> 1. Input TC 971 AC 522 with miscellaneous field UNWORK 2. Document AMS 3. Refer to IRM 5.19.21.2, Identity Theft - General Information, for referral procedures 4. ACS/ACSS update account: "TOO9, XX, IDTADJ" (XX = 30 days past the deadline date, 60 days past the deadline date on international cases.)
The taxpayer makes an allegation of identity theft by correspondence, phone or in person	<p>There is a posted TC 971 AC 501, 506 or a TC 972 AC 522 with tax administration source codes of NOIDT or NORPLY for the tax year in question</p> <p>Exception: If the TC 971 AC 506 was input by WI PRP follow box 6 below</p>	Taxpayer is not required to provide documentation. The response should be referred to IDTVA to decide if the new correspondence impacts the prior determination.
Taxpayer alleges identity theft by correspondence, phone or in person	<p>There is a posted unreversed TC 971 AC 501, 506 or a TC 972 AC 522 with tax administration source codes of NOIDT or NORPLY for the tax year in question.</p> <p>Exception: If the TC 971 AC 506 was input by WI PRP follow box 6 below.</p>	<ol style="list-style-type: none"> 1. Explain to the taxpayer that their Identity theft issue has been resolved. They should have received a closure letter explaining the outcome of their claim. 2. If there is an outstanding issue they will need to submit additional information for IDTVA to consider.

If ...	And ...	Then ...
Taxpayer alleges identity theft by correspondence	There is a posted TC 971 AC 506 that was input by WI PRP or TC 972 AC 522 IRSERR for the tax year in question	<ol style="list-style-type: none">1. Input TC 971 AC 522 containing the miscellaneous field PNDCLM2. Send appropriate letter to taxpayer and request they provide the required documentation3. Account is in notice status 02, input delay C08. See IRM 5.19.2.6.1.1, Accelerate and/or Delay To TDI Status 034. Document AMS5. ACS/ACSS update account: "TOV1,XX,DOCREQ" (XX = 30 days past the deadline date, 60 days past the deadline date on international cases.)

If ...	And ...	Then ...
Taxpayer alleges identity theft by correspondence, phone or in person	There is a TC 971 AC 501 or 506 posted on another year	<ol style="list-style-type: none"> 1. See IRM 5.19.21.2.1(6) to determine when the taxpayer needs to furnish IDT documentation 2. Input a TC 971 AC 522 PNDCLM to the earliest year even if identity theft affects multiple years. The secondary date field on CC REQ77 will contain the year affected by identity theft (if multiple years are affected, input the earliest tax year affected) 3. Leave a history on ENMOD using Command Code Action reflecting the additional tax years affected by identity theft. <p>Example: A taxpayer files Form 14039 reporting identity thefts for tax years 2015 and 2016. A single TC 971 AC 522 PNDCLM will be applied to the Entity module using command code (CC) REQ77. The SECONDARY DATE field on CC REQ77 will carry the earliest tax year affected by identity theft in situations where more than one tax year has been affected (in this example the Secondary Date will reflect 12-31-2015, the earliest tax year).</p> <p>Caution: Secondary Date field on CC REQ77 is limited to the current calendar year and 7 prior years. The secondary date field will not allow the input of any date outside that range. See IRM 25.23.2.3.8.1, Command Code REQ77 Secondary Date and Old Case Year Issue for more information.</p>

- (4) Input TC 971 AC 522 on CC ENMOD as described below. Use command code REQ77 for this input.
- (5) TC 971 AC 522 input contains a miscellaneous field that must be completed consisting of the following:
 - BOD/function; for example, WI or SB/SE.
 - Program name; for example, ACS or CSCO.
 - Tax administration source; select the appropriate source of the identity theft from the following list:

Term/Acronym	Description	Secondary Date Field
PNDCLM (Pending Allegation of Identity Theft)	The taxpayer makes an allegation of identity theft. The taxpayer has not yet provided Form 14039 or a police report	Reflects the tax year of the identity theft incident.
Acceptable documentation received from the taxpayer: • UNWORK (Form 14039 or police report received)	Intentionally left blank	Reflects the tax year of the identity theft incident.

Note: TC 971 AC 501 is used when the account is adjusted and closed. IDTVA will input the TC 971 AC 501 once all account actions have been completed. See IRM 25.23.2.6.1 , Closing Taxpayer Initiated Identity Theft Affecting Tax Administration – TC 971 AC 501 for additional information.

- (6) If the TC 971 AC 522 needs to be reversed due to error, taxpayer request, etc., see IRM 25.23.2-11 , IMF Only TC 972 AC 522 - Reversal of TC 971 AC 522.
- (7) If there is a TC 971 AC 111 on the account, see IRM 5.19.2.6.4.1(1).

5.19.2.8

(11-28-2022)

High Income Non Filer Process- (HINF)

select codes for tax year (TY) 2004 through current tax year are all select codes 30, 31, 32, 33, 34, 35, 36 and 38. Select codes can be found in *Document 6209*.

- (2) Although HINF cases are handled in ACS, CRs, CSCO Tax Examiners, TCOs, AM and FA are authorized to work the HINF cases to resolve the taxpayer's inquiry. Document AMS with information secured and actions taken.

Note: If additional information is needed that is not your expertise, accelerate the account to ACS, documenting all pertinent information and/or actions taken. See IRM 5.19.2.8.1, High Income Nonfiler Processing (HINF) for additional guidance.

5.19.2.8.1

(11-06-2015)

High Income Nonfiler Processing (HINF)

- (1) All HINF cases will receive priority, expedite case processing. HINF select codes for tax year (TY) 2004 through current tax year are in the 3X (i.e. 30, 31) series. Prior to TY 2004, HINF select codes are any indicating total Information Return Processing (IRP) income \$100,000 and over. Work all HINF cases immediately upon receipt, including contacting the taxpayer and conducting research via Accurint and IDRS. If research reveals any balance due modules in notice status, all efforts should be exhausted to collect the balance due as well as the delinquent return.
 - a. Conduct all possible research of each case using Corporate Files On Line (CFOL/IDRS) command codes (CC), as an example IRPTR, TRDBV, CFINK, TXMOD, RTVUE, AMDISA or any other CC appropriate to resolving the account. See IRM 5.19.2.5, Return Delinquency Research for detailed instructions for processing return delinquency cases. See IRM 5.19.2.8.2 , HINF- IRP Incorrect for HINF-IRP income incorrect procedures.

- b. If taxpayer claims not liable, refund, or little or no tax due, see IRM 5.19.2.8.5, HINF Taxpayer Claims Not Liable, Refund, or Little or No Tax due for guidance. Fully document results of all contacts and research on AMS.
- c. For CSCO employees working responses to CP 59 & CP 518 on HINF cases: Ensure proper case actions are taken promptly. If the taxpayer response is unclear or unable to resolve account due to insufficient information, do not correspond. Document AMS of information secured or actions taken, accelerate to ACS.
- d. If the taxpayer requested additional information, such as forms, or income information to file, send the taxpayer the requested information, then accelerate to ACS. Document AMS of actions taken.
- e. If the taxpayer is requesting time to file, set an initial deadline date of 15 days. Set the follow up date 15 days beyond the deadline date to file, then accelerate to ACS. Document AMS of actions taken.
- f. The initial contact needs to be a telephone call. If a telephone number is present, an out call attempt must be made to the Power of Attorney (POA) (if available) or taxpayer. If contact is made, see Taxpayer Contact per IRM 5.19.5.4.11, Telephone Techniques and Communication Skills. Otherwise, follow next appropriate action.
- g. If no telephone number is present, send LT 26 to the current address and other potential addresses found through locator research. If no response and the follow-up date has expired, see IRM 5.19.2.8.11, HINF- Referrals, for transfer procedures.

Note: If an LT16 was sent to the current address, it is not necessary to send LT26.

- h. Non-published numbers: Do not issue summonses for non-published numbers. If all research methods have been exhausted, make determination as to appropriate referral. See IRM 5.19.2.8.11, HINF- Referrals.
- i. Clear documentation is critical on these high-profile cases, as the objective is to move them along if the taxpayer is unresponsive. All HINF cases are subject to frequent Managerial and Headquarters' review.
- j. Once all case actions are complete, document the case on AMS, input necessary actions/follow up, and move the case to the proper function.

Make sure the last comment clearly includes the next action.

5.19.2.8.2
(11-28-2022)
HINF- IRP Incorrect

- (1) First steps in working a new case will include reviewing the income reported on IRP to ensure its accuracy. Compare prior year information if available and look for inconsistency between tax years. If prior year income was significantly lower and there appears no justification or explanation to categorize case as HINF, refer to the appropriate site Payer Agent List (PAL) Coordinator. See IRM 4.19.3.6, Payer Agent/Fraud Information, for further information regarding the PAL. Follow the chart for examples of possible incorrect payor data:

#

#

- (2) The site PAL coordinator should attempt to make a determination about the discrepant IRP. If payer contact is necessary to determine the impact, check IDRS for a telephone number or other locator sources, such as website: *http://www.411.com* and/or *Accurint*.

Note: Revised third party procedures allow for the administrative action of verifying information received from Employers/Payers. This verification is not considered a third party contact under IRC section 7602(c) if the purpose of the contact is to process information received from the source and/or to ensure its validity/correctness.

- (3) If the PAL coordinator determines IRP income is incorrect, make determination based on the correct income whether or not the taxpayer is liable to file the return. If liable, pursue securing the return. If the taxpayer is not liable, input TC 590 with the appropriate closing code. Address all credits per credit balance procedures, see IRM 5.19.2.6.7, Credit Balance Overview.
- (4) Clearly document case with the taxpayer's correct income.
- (5) Cases identified with corrected IRP income should not be assigned to Automated Substitute For Return (ASFR). If taxpayer still has a liability and the return cannot be secured, follow guidelines for referring to Exam and/or the queue, see IRM 5.19.2.8.11, HINF - Referrals, for procedures to forward to the queue.

5.19.2.8.3
(11-06-2015)

**HINF- Case Processing
Procedures**

- (1) Work cases immediately and take all possible actions upon receipt.
- (2) Make call to the taxpayer representative and/or taxpayer.
- (3) Follow up dates must be in accordance with IRM procedures.
- (4) Follow up actions must not exceed 15 days past the deadline date.
- (5) When appropriate, take multiple actions at the same time to accelerate processing (i.e. letter, telephone call, research).
- (6) CSCO employees working notice response should accelerate all HINF cases to ACS if the response is insufficient to close. Ensure all taxpayer questions/

concerns are addressed, deadline(s) established and document AMS of all pertinent information prior to accelerating to ACS.

5.19.2.8.4
(01-16-2015)

HINF- Taxpayer Contact

- (1) See IRM 5.19.2.6.4, IMF Return Delinquency Responses and Inquiries, for IMF return delinquency responses and inquiries, which provides procedures for processing IMF RD notices responses and inquiries.

Note: If the taxpayer responds to a CP 59 or CP 518 notice indicating promise to file by a specific date, establish a deadline for taxpayer to file, with the initial deadline of 15 days. Set the follow up date 15 days beyond the deadline date to file. If the taxpayer gives a reasonable explanation why additional time is needed, consider the request and document on AMS the information supporting the decision. (An example of needing additional time is the taxpayer does not have records and needs IRS to provide.) Managerial approval is not required to extend the deadline date. See IRM 5.19.2.6.4.5.4, IMF Taxpayer Liable, to accelerate to ACS.

- (2) Determine if taxpayer has filed the return. Before soliciting for the return, follow IRM 5.19.2.6.4.1 (3), IMF Special Handling, for possible fraud referral.

Caution: For cases with potential fraud, do not give advice about what to do, and **do not** solicit the return. When telephone contact is made, enter into comments all information pertinent to the processing of the case. See IRM 25.1.2, Recognizing and Developing Fraud, for fraud referral procedures.

- (3) If no fraud referral is necessary, verify all income with the taxpayer.
- (4) Ask the taxpayer for reasons that the return was not filed (e.g. the taxpayer owed money and could not pay, so they did not file; taxpayer could not find tax records, health/family issues, etc.), and determine if the taxpayer has the necessary data and forms to file the return(s) and provide data as needed. Determine potential tax liability and secure any other pertinent tax information to estimate tax liability and compare with IRP data. See IRM 5.19.2.6.4.5, IMF Determining Liability, to determine tax liability.

Note: If the taxpayer has outstanding balance due modules in notice status and the assessed balance of all modules is less than \$100,000, follow the guidelines below in paragraph 5. If the assessed balance of all modules is more than \$100,000, and the taxpayer states they cannot full pay, advise the taxpayer they will be contacted to discuss the payment issues. Clearly document AMS with contact information as well as all information discussed.

- (5) If taxpayer's return will result in a balance due, compute penalty and interest associated with the return. Advise the taxpayer to submit full payment with the return. If taxpayer states they cannot full pay, explore options to borrow/secure maximum up-front payment and then explain installment agreement procedures.
- (6) Don't allow any more time if a taxpayer has previously broken a promise on a HINF case. If the taxpayer gives a reasonable explanation why additional time is needed, consider the request and document on AMS the information supporting the decision. If contact has been made and promise broken, see IRM 5.19.2.8.11, HINF- Referrals.

5.19.2.8.5
(11-28-2022)

**HINF- Taxpayer Claims
Not Liable, Refund, or
Little or No Tax Due**

- (1) If the taxpayer states they are a victim of identity theft refer to IRM 5.19.2.7, Identity Theft Procedures.
- (2) If the taxpayers states they are not liable, income sources must be verified, see IRM 5.19.2.6.4.5.1, IMF Response Taxpayer Not Liable. The taxpayer must provide correct income and/or file a return unless research provides bad payor information. Once bad payor information is verified, determine if there is still a liability. If the taxpayer is not liable:
 - a. Address all credits, see IRM 5.19.2.6.7, Credit Balance Overview, and
 - b. Obtain managerial approval prior to closing, see IRM 5.19.2.8.12, HINF-Managerial Approvals, Reviews and Controls, and
 - c. Input TC 590 with the appropriate closing code.
 - d. For ACS/ACSS:

If	Then
Not Liable	TOC0,05,590026
Little or No Tax Due	TOC0,05,590027
Refund Due	TOC0,05,590028

- (3) If the taxpayer states income is only from stock transactions and claims a loss, inform the taxpayer to file a return with Schedule D to show stock basis. Provide appropriate warning per IRM 5.19.1.7, Warning of Enforcement Action and Enforced Collection.
- (4) If the taxpayer states they are currently in bankruptcy and there is debt cancelled or debt outstanding income included in the total IRP income, deduct the debt amount and determine if there is still a liability to file. If a filing requirement is present, establish a filing deadline.
- (5) If the FMV is greater than the Debt Out, and there is no other earned income or filing requirement, close the account TC 590 cc 026, Income Below Filing Requirements after securing managerial approval.
- (6) If the taxpayer claims a refund is due, they must file to receive the refund. Set the deadline for filing the return. Document information that substantiates that a refund would be due (i.e. income information confirmed by IRPTR, filing status, exemptions). See IRM 5.19.2.6.4.5.1, IMF Response Taxpayer not Liable.
- (7) If taxpayer does not file the return within the prescribed deadline, and a refund would be due, input TC 590 with the appropriate closing code after addressing any credits, see IRM 5.19.2.6.7, Credit Balance Overview. If the taxpayer is unable to substantiate that a refund is due or refund due is based on expenses and deductions that must be claimed on various Schedules (i.e. Schedule C, D, E) and does not file within the prescribed time, determine appropriate referral, see IRM 5.19.2.8.11, HINF-Referrals. **Document AMS of all actions taken on paragraphs above.**

5.19.2.8.6
(11-06-2015)
**HINF- Deceased
Taxpayers**

- (1) If a decedent case has previously been identified, the account should contain one or more of the following:

- DECD in the name line
- Date of death on CC INOLES
- TC 540 on CC TXMOD or CC IMFOLT for the year of death
- Mail File Requirements (MFR 08) on CC ENMOD

Note: Research the account for a Criminal Investigation (Z) freeze. If present, route the death certificate attached to Form 4442 to the campus indicated on the DLN of the TC 914, 916 or 918. If you are speaking to a third party on the telephone, secure the information listed in proceeding paragraph below and send this to CI.

- (2) If a telephone call is received from a third party stating the taxpayer is deceased, probe to verify for the date of death, request a copy of death certificate. If there is an executor on record or an EIN established for an estate, request information below in paragraph 3.
- (3) If the account indicates the delinquent return will result in a potential balance due, or there is a associated balance due module on the account, all necessary actions must be taken to verify an existing estate and/or executor for the decedent taxpayer. Research CC INOLE, with definer S or G, to verify an established estate. If all information can not be secured from research, attempt to secure the following information:
- A copy of the death certificate.
 - County in which the taxpayer died.
 - County in which the taxpayer resided at the time of death.
 - Ask if there is an established estate, and if Form 1041 is applicable.
 - Name, address, telephone number of the fiduciary (executor or administrator).
 - Name and telephone number of provider of information if different from the fiduciary for documentation purposes.
 - If the case is a combo account (balance due & RD), refer to IRM 5.19.1.5.3, Deceased Taxpayers for guidance.

All information secured and/or actions taken must be documented on AMS.

- (4) Under no circumstances should a HINF deceased taxpayer case be closed with a TC 59X, until verification has been secured that the income reported for the year of death (or prior), or has been reported on another return (i.e. spouse, fiduciary, etc.).
- (5) If the requested delinquent return is for a year after the taxpayer date of death, determine if there is an estate and requirement to file Form 1041, U.S. Income Tax Return for Estates & Trusts. See IRM 21.7.4.4.1.1, Filing Requirements Form 1041, for domestic decedent and Publication 559, Survivors, Executors, and Administrators.
- (6) Locator research on an account without an identified executor shown on INOLE should be focused on attempting to contact an executor, surviving spouse or other responsible third party. When speaking with third parties, caution must be exercised not to disclose information to an unauthorized indi-

vidual while maintaining an empathetic tone on these potentially sensitive issues. See IRM 11.3.2.4.11, Deceased Individuals, for third party contact guidance.

- (7) If a responsible party is reached and does not file within the prescribed time and all efforts to contact a responsible party have been exhausted, determine appropriate referral, see IRM 5.19.2.8.11, HINF- Referrals.
- (8) If you receive information on the death of a taxpayer, see IRM 5.19.2.6.4.5.6, IMF Response Taxpayer Deceased.

Note: Additional research may be necessary to locate an EIN of an estate.

- (9) Document AMS of actions taken on paragraphs above.
- (10) Managerial approval is required on decedent accounts being transferred to the queue.

5.19.2.8.7
(11-06-2015)
**HINF- Return Previously
Filed**

- (1) If the taxpayer claims the return was previously filed with a spouse, request the spouse's SSN and date return was filed.
- (2) Research to verify if return was filed jointly, and if all income per IRP has been included on the joint return. If all income has not been included, advise the taxpayer of finding setting a deadline to amend return (unless fraud is suspected). If taxpayer states they will not amend their return, determine if referral for fraud or Examination is appropriate, see IRM 5.19.2.6.4.2, IMF Examination Referrals.

(3) **If the taxpayer claims return was filed within the last ten weeks:**

- Research IDRS, and if a return is not found, request the taxpayer to fax the return while on the call.
- If the taxpayer is not able to fax ask the taxpayer for the following information and document the date return was filed, total tax and amount of tax/refund due (if known by the taxpayer) in a narrative on AMS. Advise the taxpayer once the return is processed they will receive notification (i.e. refund or balance due notice). If they do not receive notification within 10 weeks, they should callback and request the representative to research for filing. If the account is on ACS, enter history code "OADT,45,CMTS ", if appropriate.

Note: Notate comments of the next action that needs to be taken if taxpayer does not comply, i.e. ASFR, TFQU, or referral to Exam.

- If the taxpayer cannot fax the return or provide the return information, advise them to call back the next day. Input history code "OADT,01,TP2CB ".

(4) **If it has been ten weeks or longer and the taxpayer cannot fax signed copy of the return immediately:**

- Request the taxpayer mail the return to the appropriate ACS Support site within 10 days. Set the follow up date for 15 days and document AMS of all actions taken.

- (5) When a return is received, see IRM 5.19.2.6.4.5.12, IMF Response with Original Return, for procedural guidance.

- (6) If return is not received and the follow-up has expired, see IRM 5.19.2.8.11, HINF-Referrals.

5.19.2.8.8
(01-16-2015)

HINF- Unable to Locate

- (1) If all research and contact efforts have not resulted in contacting the taxpayer, follow HINF referral procedures below. IRM 5.19.2.8.11, HINF- Referrals.
- (2) If all efforts to locate the taxpayer have been exhausted, (IDRS research and locator search via Accurant - research must have been completed within the last 12 months) and there is undeliverable mail, cases may be closed as Unable to Locate. Managerial approval is required and must be documented. Input TC 593 with the appropriate closing code after addressing any credits. See IRM 5.19.2.6.7.1, Credit Balance Research Procedures.
- (3) Unable to Contact closing can not be considered for HINF cases. For "Unable to Contact" cases, see IRM 5.19.2.8.11, HINF-Referrals.

5.19.2.8.9
(11-06-2015)

HINF- Full Compliance

- (1) The purpose of manually creating a return delinquency is to prompt the generation of notices on modules not previously selected through case creation and/or accelerating other potential modules to TDI status. Manually created modules are an indication enforcement action is necessary to pursue collection. This section applies when working calls and correspondence with the exception of ACS/ACSS inventory.
- (2) Taxpayers must be in full compliance. To complete full compliance use CFOL/IDRS CCs, example IMFOL on IDRS to see if the taxpayer has filed all returns in the past six years. IMFOL will show if prior years were closed with a TC 598, or other TC for which a return was not received. Also if no TC 140 or TC 474 is posted, it is imperative to determine if the taxpayer was required to file. If it is determined that the taxpayer is required to file on a "not open" RD module, create the module. See IRM 5.19.2.4.1, Manual Creation of a Return Delinquency Module on IDRS.
- (3) If research indicates the taxpayer is required to file (above FR) for a module not in "open" TDI status (no TC 140 or TC 474), provide the taxpayer a deadline to file the return(s).
- (4) If it is determined the tax return is a potential balance due, input a TC 474 to create the RD module on Masterfile. See IRM 5.19.2.4.1, Manual Creation of a Return Delinquency Module on IDRS for additional guidance.

Note: Input of a TC 474 on a "potential" balance due module will create the RD module and systemically start the notice issuance process to request the return. In addition, the determined balance due amount can be used as the amount due for the return and can be included for a pre-assessed IA request.

- (5) If it is determined the tax return will result in a refund, do not input a TC 474. Document AMS of the established deadline to file the delinquent return, as appropriate.
- (6) When working a module in Status 06 that was previously closed with a TC 593, 597, or 598, follow the procedures throughout this IRM for the status (Notice Status 02 or TDI-03) the module is in when the TC 59X code was entered.

Note: For open RD module(s) over 6 years old, input a TC 590 cc 027 to close the filing requirements. See IRM 5.19.2.6.4.5.3.2, IMF Little or no Tax Due. Managerial approval is not needed for tax years older than 6 years from the current processing tax year.

- (7) For large dollar combo cases with unresolved balance due (TDA) issues, use the appropriate enforcement actions to prompt compliance, as necessary.

Note: If taxpayer is unable to pay, refer to IRM 5.19.1.7.1.5, CNC Unable to Pay - Hardship, to further analyze and verify for CNC criteria, otherwise follow paragraph 8 below.

- (8) Original returns may be faxed while on the telephone if the taxpayer has the signed return readily available. Otherwise request the taxpayer mail the return to the appropriate ACS Support site within 15 days. Set the follow up date for 15 days beyond the deadline date to file. Advise the taxpayer that enforcement will continue if the return is not received by the established deadline.

Note: Don't allow any more time if a taxpayer has previously broken a promise on a HINF case. If the taxpayer gives a reasonable explanation why additional time is needed, consider the request and document on AMS the information supporting the decision. Managerial approval is not required. If contact has been made and promise broken, see IRM 5.19.2.8.11, HINF- Referrals.

5.19.2.8.10
(01-16-2015)
**HINF- Enforcement
Action**

- (1) Advise taxpayers failure to keep promise to file will result in appropriate enforcement. Enforcement action may include referral to Exam, ASFR or Revenue Officer per IRM 5.19.1.76, Warning of Enforcement Action and Enforced Collection.
- (2) Cases will be referred to appropriate function on all broken promises, see IRM 5.19.2.8.11, HINF-Referrals.
- (3) Document AMS and ACS history of all actions taken.

5.19.2.8.11
(03-04-2015)
HINF- Referrals

- (1) Once all efforts to secure the return have been exhausted, referrals will be made based on the following criteria in order of priority. Managerial approval is required prior to referring case, see IRM 5.19.2.8.12, HINF-Managerial Approvals, Reviews and Controls.

If	Then
Fraud Potential exists,	Refer to the Fraud Coordinator per IRM 25.1.2, Recognizing and Developing Fraud
There is undeliverable mail as outlined in IRM 5.19.2.8.8, HINF- Unable to Locate	Close module with a TC 593 cc 032

If	Then
The case meets ASFR criteria as outlined in IRM 5.19.2.6.4.3, IMF Automated Substitute for Return Program (ASFR) Referrals	Refer to ASFR
There is a stand alone TDI or combo and a select code is 3X and all attempts to resolve account have been exhausted,	Assign to "TOC0,05,EXAM" (ACS) or "TOM0,05,EXAM" (ACSS) for managerial approval. Once approval is secured, assign case to "TOH2,60,Exam".
None of the above criteria is met.	Transfer the case to the Queue.

Note: Address credit balance per IRM 5.19.2.6.7, Credit Balance Overview.

- (2) HINF cases may also be referred to a Revenue Officer if the following guidelines are met:
 - a. Taxpayer requests field assignment to the field (with field concurrence) and account cannot be resolved by site.
 - b. Cases where a related account is already assigned to a Revenue Officer.
 - c. Contact the revenue officer or revenue officer group manager to discuss the case prior to TFRO. (Managers and Leads Only).
 - d. Send all documentation directly to the revenue officer group.

5.19.2.8.12
(01-16-2015)
**HINF- Managerial
Approvals, Reviews and
Controls**

- (1) Managers will approve all TC 590, 591 and 593 closures. Managerial approval is required on 25% of transfers to the Queue. Managerial approval is not required on TC 594, TC 595, TC 599 closures, and ASFR.

Note: Managerial approval is not needed for tax years older than 6 years from the current processing tax year.

- (2) Managers should periodically review Accurint and other Research conducted to ensure complete research has been conducted and fully documented.
- (3) Managers will indicate their approval of the proposed closures by entering OADT,30,HINFAPP before the closure is input.

5.19.2.8.13
(11-06-2015)
**HINF- Locator Service
Guidelines**

- (1) Locator research is conducted on HINF cases to research for address and telephone information. It will also be used to determine asset information. This asset information will be used to look for indicators of fraud, third party contacts and employment information. Asset information will also assist in determination of whether HINF cases should be referred to Revenue Officers for further investigation.
- (2) When all required I2 work and CFOL research is completed within the last 12 months, input history code "OADT,00,I2DONE".

Note: If LOCDONE or GILOCATOR has been done on a case within the last 12 months, input of the "OADT,00,I2DONE" is not required.

- (3) At a minimum use Accurant for efficient asset and person searches.
- (4) Perform all searches by SSN when available for best results; unique name search can also be utilized if no data is found via your SSN search.
- (5) Once Accurant research is completed on a case, input "OADT,00,ALSDONE".

Note: If LOCDONE or GILOCATOR has been done on a case within the last 12 months, input of the "OADT,00,ALSDONE" is not required.

- (6) Print or save results for managerial approval on all cases where the research is done:
 - Real Property Verification - after finding information via property search, conduct specific search by address for more condensed printout.

Note: Copy and paste relevant information to a Word/Text document to print fewer page.

- (7) Accurant research must be completed in the last 12 months before reporting an HINF as Unable to Locate.

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Exhibit 5.19.2-1 (02-15-2022)**Pop-up Paragraph Exhibit for On Line Notice Review (OLNR)**

1) IMF pop-up paragraphs are coded with specific letters or number (shown below) to identify the specific paragraph on the OLNLR PUPS screens. (The Spanish IMF CP 616 or 618 have the same pop-up paragraphs but not listed below in Spanish.)

Paragraph	Verbiage
D	YOU HAVE A CREDIT BALANCE OF \$[23 13V] Please explain how you want us to handle your credit. See the specific instructions on "Information About Your Tax Return" at the end of this notice.
F	IMPORTANT NOTICE ABOUT BACKUP WITH-HOLDING If you file this return and do not attach your payment for any tax due, we may notify your bank or other payers to begin or continue backup withholding. They will withhold 28 percent of your interest and/or dividend payments. If you have any questions, please contact us.
G	SPECIAL NOTE ABOUT STOCK SALES Our records indicate you sold stock during calendar year [42 4V]. Please read the instructions for reporting this transaction on Schedule D, (Form 1040), Capital Gains and Losses.
H	SPECIAL NOTE ABOUT NONEMPLOYEE COMPENSATION INCOME Our records indicate you received nonemployee compensation during calendar year [43 4V]. This income could be subject to self-employment tax if your net earnings are \$400 or more. Please read the instructions for reporting self-employment tax on Schedule SE (Form 1040), Self-Employment Tax. Note: In order to get social security credit for your self-employment earnings, you need to file tax returns within 3 years, 3 months, and 15 days after the end of the calendar year in which you earned the self-employment income.
I	FILING FEDERAL TAX RETURNS As a current or retired federal employee, you are obligated to file and pay your federal taxes as imposed by law.

Exhibit 5.19.2-1 (Cont. 1) (02-15-2022)

Pop-up Paragraph Exhibit for On Line Notice Review (OLNR)

Paragraph	Verbiage
J	<p>SELF-EMPLOYMENT TAX You reported self-employment tax on your prior tax return. Please read the instructions for reporting self-employment tax on Schedule SE (Form 1040), Self-Employment Tax.</p> <p>Note: In order to get Social Security credit for your self-employment earnings, you need to file tax returns within 3 years, 3 months, and 15 days after the end of the calendar year in which you earned the self-employment income.</p>
K	<p>OFFER IN COMPROMISE Our records indicate that we've accepted an offer in compromise from you. You agreed to file and pay all your federal taxes for the five (5) year period after we accepted this offer. If you don't file the requested delinquent return, we may terminate the offer, causing you to be liable for the original tax liability, less payments made, plus interest and penalties.</p>
L	<p>ARE THERE OTHER TAX RETURNS YOU HAVEN'T FILED? Our records indicate that you may be repeatedly delinquent in filing your income tax returns. Please file your past due returns immediately. If you have any questions, please contact us for assistance.</p>
5	<p>MORTGAGE INTEREST PAID Our records indicate you paid more than 50 percent of your reported income in mortgage interest. All income received by you must be reported on your tax return. Mortgage interest should be reported on Schedule A, Itemized Deductions, and attach it to your Form 1040.</p>

Exhibit 5.19.2-2 (02-15-2022)**CSCO Non-Filer Campus Addresses**

If the taxpayer is using the United States Postal Service (USPS), provide the P.O. Box address for the CSCO mailing address. If the taxpayer requests to use a Private Delivery Service (PDS) such as UPS or Fedex, provide the following CSCO's street address and Mail Stop number.

CSCO Non-Filer Campus Addresses

IMF Returns CSCO P.O. Box Addresses	IMF Returns CSCO Street Addresses
Internal Revenue Service PO Box 149338 Austin, TX 78714-9338	Internal Revenue Service 3651 South I-H 35 Stop #5501 AUSC Austin, TX 78741
Internal Revenue Service PO Box 24035 Fresno, CA 93779-4035	Internal Revenue Service 3211 S Northpointe Dr. Stop #81105 Fresno, CA 93725
IMF/BMF International Returns P.O. Box Addresses	IMF/BMF International Returns Street Addresses
Internal Revenue Service Philadelphia, PA 19255-0030	Internal Revenue Service 2970 Market St. BLN # 4-N31.142 Philadelphia, PA 19104-5016

A state mapping guide can be found on SERP under the Who/Where tab.

- *IMF Return Delinquency Consolidated Programs*
- *BMF Return Delinquency Consolidated Programs Back-end State Mapping*

Exhibit 5.19.2-3 (02-15-2022)**Files Address**

Utilize the addresses below when instructed to forward documents to Files.

If you are sending a case to files that does not have a location code associated with it, send it to the file address that services your campus.

Services for source document association, requests and re-files and sending of requests, please see *Files - Return to Files Addresses*.

Exhibit 5.19.2-4 (11-28-2022)**Resolving Issues with Manual Created RD Modules on IDRS**

To establish an IMF tax module, follow the instructions below:

If	Then
<p>A module is established on IDRS but does not have a TC 140,</p>	<ol style="list-style-type: none"> 1. Input a TC 474 and input 08 in cycle field. Input Select Code (SC) "96" for Full Compliance Check (FCC) or "99" for State Reverse File match Initiative (SRFMI) in TDI-Select-Cd field, using CC REQ77. 2. Refer to paragraph 5 below to see if a Compliance record needs to be established using CC TDIRQ.
<p>A module is not established and it is earlier than the established tax year indicated on CC ENMOD/IMFOLE Example: CC ENMOD indicates tax year 2008 and subsequent, however you need to establish tax year 2007. Note: For additional Entity changes and other scenarios for a TC 013, see IRM 3.13.5.118, Changing/Correcting a Taxpayer's Name (generates a TC 013).</p>	<ol style="list-style-type: none"> 1. From CC ENMOD, Input CC ENREQ then the following fields on CC INCHG to establish the TC 013: <ul style="list-style-type: none"> • Doc-CD =63 • New- Name-CNTRL =(first 4 letters of the last name) • Primary- Name = (enter first and last name, use a bracket "]" in front of the last name. • Year-NM-Line =(the year you are establishing) • TC= must be blank to establish TC 13 • Dup- Addr-Ind= use "N" • FS =(enter "1" filing status) • Remarks= To Establish Earlier Year 2. Input TC 474 cy 08 and input SC "96" for FCC or "99" for SRFMI using CC REQ77. Note: You must always enter a "S" preceding the Select Codes. 3. Refer to paragraph 5 below to see if a Compliance record needs to be established using CC TDIRQ.

Exhibit 5.19.2-4 (Cont. 1) (11-28-2022)**Resolving Issues with Manual Created RD Modules on IDRS**

If	Then
<p>An account is not established (no record on CC IMFOLI),</p> <p>Note: Overlay CC ENMOD with CC ENREQ to establish the account, you must input TC 000 to establish the account first. For display of all required data needed on the specific lines, see IRM 2.4.9-10, IMF- Establish of an account on the Master File.</p>	<ol style="list-style-type: none"> 1. Overlay CC ENMOD with CC ENREQ and input the following fields on CC INCHG. <p>Note: In some instances, you may need to use CC ACTON to create a dummy ENMOD prior to using CC ENREQ.</p> <ul style="list-style-type: none"> • Doc-CD =63 • New- Name-CNTRL =(first 4 letters of the last name) • Primary- Name = (enter first and last name, use a bracket "]" in front of the last name. • Year-NM-Line =(the year you are establishing) • TC= must be 000 (triple zeros) • Dup- Addr-Ind= use "N" • FS =(enter "1" filing status) • Remarks= To Establish Name line <p>For display of all required data needed on the specific lines, see IRM 2.4.9-10, IMF-Establish of an account on the Master File.</p> 2. Input TC 474 cy 08 and input SC "96" for FCC or "99" for SRFMI using CC REQ77. <p>Note: You must always enter a "S" preceding the Select Codes.</p> 3. Refer to paragraph 5 below to see if a Compliance record needs to be established using CC TDIRQ.

Note: The TC 474 will post in two weeks. The first RD notice (CP 59) will systemically generate a request for a tax return. The TC 474 "cycle (cy) 08" is used only as an indicator for TDI programmers' analysis. It is not used to post a delay code.

CC TDIRQ is used to add TDI Compliance records to the Taxpayer Information File (TIF) for the purpose of generating delinquency notices and/or TDI's for an account.

For IMF Entities Only: The command code may also be used to add TDI Compliance Data to accounts where there is no compliance data present.

- To check for Compliance record: input CC TDINQ. If TDINQ shows **blank** or **zero** on line 4, position 26 - 30, in the **TDI -X** field, or shows **no data**, then a Compliance record is required using CC TDIRQ, and continue in step **b** below.
- To build a Compliance record for Request Type C:
 - Input CC TDIRQ with a definer of **R**, inputting all required fields. See IRM 2.4.26-13, TDIRQ Input Format.
 - Input Request Type Code **C** on line 1, position 19.
 - Input Select Code 96 (FCC) on line 9, position 30-31. If working SRFMI cases Select Code 99 is used.

Exhibit 5.19.2-4 (Cont. 2) (11-28-2022)**Resolving Issues with Manual Created RD Modules on IDRS**

Note: In some cases where there is no account data present (IDRS record), you will use Request Type “S” instead of Request Type “C”, see IRM 2.4.26-14, TDIRQ Input Format, to build an entity module and a TDI Compliance record.

Exhibit 5.19.2-5 (02-15-2022)**Accelerate and/or Delay to TDI status 03 Examples**

If	And	Then
The taxpayer responds to the final RD notice stating a return will be filed within eight weeks,	The module will move to TDI status 03 in two cycles	Delay the change to TDI status 03 by inputting a delay C08.
The taxpayer responds to the first RD notice within two cycles stating a return will be filed within eight weeks.	The module will move to TDI status 03 in 12 cycles	Accelerate to TDI status 03 by inputting a delay C08.

When working a RD response (correspondence or online) and you cannot resolve the RD module, the module may be accelerated to TDI Status 03 for further investigation.

Exhibit 5.19.2-5 (Cont. 1) (02-15-2022)**Accelerate and/or Delay to TDI status 03 Examples**

If	And	Then
RD module is in Notice Status 02,	Intentionally left blank	Follow procedures in the taxpayer liable section for IMF IRM 5.19.2.6.4.5, IMF Determining Liability.
RD module is satisfied (Status 06 closed with a TC 59X) and the taxpayer has another module in ACS,	The taxpayer indicates they are liable (i.e. promise to file) or research (i.e. IRPTR, SUPOL) indicates the taxpayer is liable,	<ul style="list-style-type: none"> Using CC ASGNI or (see IRM 2.4.27, Command Code ASGNI/ASGNB formerly TSIGN) assign the account to 0110 (ACS) Input a TC 592 to reverse the previous TC 59X, using FRM49.
RD module is satisfied (Status 06 closed with a TC 59X) and the taxpayer has another module in ACS,	There is no indication from the taxpayer they are liable or research (i.e. IRPTR, SUPOL) shows the taxpayer is not liable,	Destroy the notice.
RD module is satisfied (Status 06 closed with a TC 59X) and the taxpayer is not in ACS. NOTE: These cases should only be assigned to ACS if you have information indicating the RD was closed in error with any satisfying TC 59X (excluding current Combat Zone, 598 closing code (cc) 70).	The taxpayer indicates or research (i.e. IRPTR, SUPOL) shows the taxpayer is liable,	<ul style="list-style-type: none"> IMF only: The module must be on TDINQ. If not, you must establish it by using TDIRQ. Input a TC 592 to reverse the previous TC 59X, using FRM49.
RD module is satisfied (Status 06 closed with a TC 59X) and the taxpayer is not in ACS. NOTE: These cases should only be assigned to ACS if you have information indicating the RD was closed in error with any satisfying TC 59X (excluding current Combat Zone, 598 closing code (cc) 70).	There is no indication from the taxpayer they are liable or research (i.e. IRPTR, SUPOL) shows the taxpayer is not liable.	Destroy the notice and take no action on the account.

