



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

25.25.8

NOVEMBER 18, 2025

EFFECTIVE DATE

(12-12-2025)

PURPOSE

- (1) This transmits revised IRM 25.25.8, Revenue Protection, Revenue Protection External Lead Procedures.

MATERIAL CHANGES

- (1) IRM 25.25.8.2(1) - This subsection was updated to re-emphasize the importance prioritizing email sent to the mailbox due to the increase in escalations due to either a late response or none. IPU 25U0126 issued 01-29-2025.
- (2) IRM 25.25.8.2(2) - Updated the instructions to remove Green Dot since their policy now requires an indemnification letter to be issued to recover questionable refunds released. IPU 25U3576 issued 08-27-2025.
- (3) IRM 25.25.8.2(2) - Added instructions to instruct mailbox employees how to process leads specifically from Green Dot/SBTPG. IPU 25U3418 issued 06-20-2025.
- (4) IRM 25.25.8.2(2) - This subsection and table was updated to address the importance of responding timely to mailbox inquiries after observing a significant increase in follow up emails due to non-responses. IPU 25U0126 issued 01-29-2025.
- (5) IRM 25.25.8.2.1(1) - Added additional instructions to ensure all case actions required to notate the completion of the lead is updated appropriately. IPU 25U3418 issued 06-20-2025.
- (6) IRM 25.25.8.2.2(1) - Added an additional reject reason code that will not require TEs to take an immediate action to prevent the refund from being released. IPU 25U3418 issued 06-20-2025.
- (7) IRM 25.25.8.2.3(3) - Added information to document the IRS procedures when the altered check listing is received from BFS. IPU 25U3418 issued 06-20-2025.
- (8) IRM 25.25.8.2.3(3) - Added the specific miscellaneous field omitted, that will post to indicate the refund was altered. Also switched the order of the indicators since the TC 841 with block and series 77715 is programmed for the current cycle and moving forward. IPU 25U0139 issued 01-30-2025.
- (9) IRM 25.25.8.2.3(3) - Added paragraph 3 as an overview of the altered check process since effective cycle 202504, programming was implemented that identifies on IDRS when an altered check is submitted for settlement. This update also includes information pertaining to notices once the programming is completed in March 2025. Lastly, this information is restricted due to its sensitivity if fraudsters are made aware of this. IPU 25U0126 issued 01-29-2025
- (10) IRM 25.25.8.2.3(4) - Rewrote the paragraph to make the instructions clearer for creating the lead number for an altered check. Also removed the Note referencing the naming convention for leads involving altered and unaltered checks and added it this paragraph for a better flow since they are tied together. IPU 25U3418 issued 06-20-2025.
- (11) IRM 25.25.8.2.4.1(1) - Redefined the definition for what a reclamation claim entails, while also including the updated mailbox address where these inquiries will be forwarded since a specialized group was created to address them. IPU 25U3418 issued 06-20-2025.

- (12) IRM 25.25.8.2.4.1(1) - Updated the paragraph to provide a more descriptive definition of reclamation claims, while re-emphasizing the importance of how a TE should respond to these inquiries in view the policy change that now restricts RIVO involvement. IPU 25U0126 issued 01-29-2025.
- (13) IRM 25.25.8.2.4.1(2) - Added instruction to identify the reclamation claim is assigned, a specific IDRS control base. Also consolidated instructions in the Table by removing bullets and removing instructions that was no longer applicable (Row 2 If). IPU 25U3418 issued 06-20-2025.
- (14) IRM 25.25.8.2.4.1(2) - Update was made to advise TEs that all reclamation claims will now be forwarded to a specialized group to ensure the inquiries are addressed by personnel with specific expertise. IPU 25U0126 issued 01-29-2025.
- (15) IRM 25.25.8.2.4.2(1) - Added a link where the indemnification inquiries must be forwarded to since RIVO established a specialized group to address them. IPU 25U3418 issued 06-20-2025.
- (16) IRM 25.25.8.2.4.2(2) - Added instructions to open a control on indemnification request inquiries to make everyone aware the case is assigned to someone to address. IPU 25U3418 issued 06-20-2025.
- (17) IRM 25.25.8.3(1) - Updated the paragraph to document missing instructions that now identifies the drive where TEs retrieve their case file assigned. IPU 25U3576 issued 08-27-2025.
- (18) IRM 25.25.8.3(3) - Added a Reminder for TEs to now screen leads involving an altered or unaltered stolen check to ensure the refund is not mistakenly released if it's determined to be invalid. IPU 25U3576 issued 08-27-2025.
- (19) IRM 25.25.8.3(4) - Added a new paragraph to ensure TEs do not follow the guidance in this subsection if an altered or stolen check is identified since one was created specifically for these cases. IPU 25U3418 issued 06-20-2025.
- (20) IRM 25.25.8.3(6) - Added an Exception that requires leads involving an amended return to be worked manually, due to the limitations of the EL tool which was producing incorrect determinations. The results were leading to the release of some fraudulent refunds. IPU 25U3576 issued 08-27-2025.
- (21) IRM 25.25.8.3(7) - Added guidance to ensure TEs research accounts for the posting of a non-receipt claim to minimize the negative impact this was having on banks when funds are requested for stolen checks, followed by BFS debiting their account. IPU 25U0126 issued 01-29-2025.
- (22) IRM 25.25.8.3(7) Table - Removed rows 5 and 5a after consolidating the instructions and moving it to row 1 to ensure these are worked as priority so employee can streamline responses and avoid risking a double payment scenario. IPU 25U0126 issued 01-29-2025.
- (23) IRM 25.25.8.3(8) - Removed the Reminder regarding where to forward the indemnification letter to by incorporating it into this paragraph with the specific email address where these should be worked. Also included are time frames required for both TE and Worklead to respond. In addition, a Caution was added to ensure statute cases are referred for adjustment immediately since there have been some delays waiting for a deposit to be received. IPU 25U3418 issued 06-20-2025.
- (24) IRM 25.25.8.3(8) Table - Updated the table to remove all references to a refund trace since a subsection was created specifically for those inquiries. Also removed instructions to add EFDS notes since this is no longer a requirement. IPU 25U3418 issued 06-20-2025.
- (25) IRM 25.25.8.3(22) - Added a paragraph to require TEs to document actions taken on a case that deviates from the IRM as directed by RIVPM or RIVO P&A. IPU 25U3578 issued 08-28-2025.
- (26) IRM 25.25.8.3(23) Table - Removed throughout the Table misplaced instructions that align more with requirements for monitoring a lead. IPU 25U3576 issued 08-27-2025.

- (27) IRM 25.25.8.3.1(2) Table - Added guidance to the table for responding to leads involving an altered check based on the new programming implemented that identify them. IPU 25U0126 issued 01-29-2025.
- (28) IRM 25.25.8.3.1 - Change the title of the section to incorporate fraud involving stolen checks that were not altered. IPU 25U3418 issued 06-20-2025.
- (29) IRM 25.25.8.3.1(1) - Revised the instructions to require the TE to identify if the case involves an altered or unaltered stolen check since a table was created to address each case type. IPU 25U3418 issued 06-20-2025.
- (30) IRM 25.25.8.3.1(1) Table - Removed throughout the table all instructions that are not requirements of the mailbox personnel. IPU 25U3418 issued 06-20-2025.
- (31) IRM 25.25.8.3.1(2) - Added a Note to ensure all returns, involving these leads with the exception of the first scenario, must be reviewed to prevent an erroneous refund from being released after the credit post. Also added a Note to the first bullet to make TEs aware of BFS policy regarding outstanding checks since it will impact their actions with regards to recovering funds. IPU 25U3576 issued 08-27-2025.
- (32) IRM 25.25.8.3.1(2) Table - Added a Note, to make TEs aware that altered checks meeting that scenario, will not require them to make a determination since it should be done by RAAS. IPU 25U3576 issued 08-27-2025.
- (33) IRM 25.25.8.3.2(1) - Removed from the Note by removing the procedures for addressing a stolen or altered EIP check since IRM 25.25.8.3.1 was added to address those lead types. IPU 25U3418 issued 06-20-2025.
- (34) IRM 25.25.8.3.2(1) - Added throughout the table, the missing instructions to complete the processing of these lead types during this initial phase. IPU 25U3576 issued 08-27-2025.
- (35) IRM 25.25.8.3.2(2) - Revised the paragraph to include definitions of altered and unaltered stolen checks to ensure the correct tables that were created for each inventory type is selected. Also added was preliminary research needed to assist with selecting the appropriate guidance to follow. IPU 25U3418 issued 06-20-2025.
- (36) IRM 25.25.8.3.2(2) Tables - Created separate tables to address leads involving altered checks versus unaltered stolen checks since the instructions for addressing these inventory types differ. IPU 25U3418 issued 06-20-2025.
- (37) IRM 25.25.8.3.3(2) - Added to BMF External Leads, procedures for addressing altered and stolen checks since a dedicated section was created for these inventory types. Also removed the reference in table regarding stolen checks due to the same reason. IPU 25U3418 issued 06-20-2025.
- (38) IRM 25.25.8.4(1) - Removed the detailed instructions for processing a deposit to make it easier to follow by replacing it with a link to a job aid that contains more detailed instructions. IPU 25U3418 issued 06-20-2025.
- (39) IRM 25.25.8.4(2) - Created a new paragraph to require TEs review the 132 report to identify deposits received. Also a link was added to a desk guide for TEs to follow when processing a deposit using the ELT tool. IPU 25U3418 issued 06-20-2025.
- (40) IRM 25.25.8.4(3) - Added instructions to ensure when using the ELT tool the correct case type is selected. Also added a Note that provide guidance for rejected deposits which will require manual processing of the deposit. IPU 25U3418 issued 06-20-2025.

- (41) IRM 25.25.8.4(4) - Added for clarity, what the intended purpose of the alpha list was to be used for when TEs are working a deposit through the EL Tool. IPU 25U3576 issued 08-27-2025.
- (42) IRM 25.25.8.4(4) - Removed the paragraphs listed for conducting manual research when the ELT tool is unable to process the deposit. Condensing the paragraphs will assist TEs with processing the deposit quicker. IPU 25U3418 issued 06-20-2025.
- (43) IRM 25.25.8.4(5) - Added throughout the Table to the specific scenarios, details needed to ensure the TE selects the correct one when processing a deposit. In addition, to ensure the process deposit post, a reference to monitoring the payment was added throughout the table. IPU 25U3576 issued 08-27-2025.
- (44) IRM 25.25.8.4(6) - Added the reference to ensure the TE does the referral for invalid returns after completing the deposit process. IPU 25U3576 issued 08-27-2025.
- (45) IRM 25.25.8.4(7) - Added a statement to ensure TEs notify their POC that the deposit is complete and ready for review. IPU 25U3576 issued 08-27-2025.
- (46) IRM 25.25.8.4(7) Row 11 - Added a condition to distinguish processing commingle funds when there are multiple TINs involved versus those with one TIN, but multiple tax periods. IPU 25U0126 issued 01-29-2025.
- (47) IRM 25.25.8.4(7) Row 12 - Added instructions, based on IRS Counsel authorization, when its appropriate for TEs to allocate funds that ordinarily would be commingle. IPU 25U0126 issued 01-29-2025.
- (48) IRM 25.25.8.4.1(1) Table - Added to Row 2 BMF accounts since the procedures for reversal/return would be the same. Also, removed from the Then column, instructions that were duplicated in a portal document that provides step by step instructions for processing the Form 3809. IPU 25U3576 issued 08-27-2025.
- (49) IRM 25.25.8.4.2(1) - Consolidated step b with a, since all determinations that are age will appear on the Automated Age Listing. Also step f was revised to ensure the unpostables will now be worked by the TE assigned to the account. IPU 25U3576 issued 08-27-2025.
- (50) IRM 25.25.8.4.2(2) Table - Removed the table and added the reference IRM 25.25.8.6(4) which now covers actions TE must take when the lead involves a social media scheme case. IPU 25U3576 issued 08-27-2025.
- (51) IRM 25.25.8.5 - Replaced instructions from the alpha list into a Table (paragraph 2) to make reading the following the instructions easier and in a more logical format. IPU 25U3576 issued 08-27-2025.
- (52) IRM 25.25.8.6(1) - Added a paragraph that now specifies who is responsible for pulling Age Listing reports and disseminating them so Teams can prioritize their work. IPU 25U3576 issued 08-27-2025.
- (53) IRM 25.25.8.6(2) - Added specific instructions for the order in which cases from Age Listing report should be worked which requires them to work the oldest lead first. IPU 25U3576 issued 08-27-2025.
- (54) IRM 25.25.8.6(3) - Added throughout the Table, additional instructions to ensure the TE provides a complete and accurate response contingent on the control present on the account. IPU 25U3576 issued 08-27-2025.
- (55) IRM 25.25.8.6(4) - Added Tables to the subsection to ensure for invalid cases that the returns are sent to a treatment stream to complete the processing of the lead. IPU 25U3576 issued 08-27-2025.

- (56) IRM 25.25.8.7(1) - Rewrote this subsection by consolidating the guidance and Table from paragraph 2 which was removed. Only one paragraph was sufficient to cover the inquiries. A reminder was added to advise employees they need to follow their IRM procedures if a response time was not met as oppose to submitting another 4442 referral. IPU 25U3418 issued 06-20-2025.
- (57) IRM 25.25.8.7(1) Table - Updates were made to include a specific point of reference (i.e., control date) that was missing when employees would provide the time frame for a response involving an External Lead case. Also, a Note was added to rows 10 and 11 to remind employees to stop referring taxpayers back to their bank due to the escalations resulting from their actions.. IPU 25U3418 issued 06-20-2025.
- (58) IRM 25.25.8.7(2) - Removed references to current tax refunds deposited into a preparer's account since none should be regardless if it is a current or prior year. IPU 25U3576 issued 08-27-2025.
- (59) IRM 25.25.8.7(3) - Removed the instructions in this paragraph since response time frames for referrals are covered in the table in 25.25.8.7(1). IPU 25U3418 issued 06-20-2025.
- (60) IRM 25.25.8.7(2) Row 4 - Updated instructions to add a timeframe for a taxpayer to allow for IRS contact in response to feedback that this information was needed for an accurate and complete response. IPU 25U0126 issued 01-29-2025.
- (61) IRM 25.25.8.7(2) Row 5 - Removed instructions from the row advising taxpayers to wait 6 weeks for a response which conflicted with the 60 day time frame that should be provided for this scenario. IPU 25U0126 issued 01-29-2025.
- (62) IRM 25.25.8.7(2) Row 7- Added to the instructions a timeframe for response which was missing from the previous instructions. IPU 25U0126 issued 01-29-2025.
- (63) IRM 25.25.8.9(7) Row 1 - Updated the incorrect response being entered in OSRL LMS when an offset should be reversed. IPU 25U3418 issued 06-20-2025.
- (64) IRM 25.25.8.9(6) Table - Switch around rows 3 and 4 to correct the logic which was leading to incorrect determinations. IPU 25U0126 issued 01-29-2025.
- (65) IRM 25.25.8.9(7) Row 1 - Added a Reminder to ensure TEs enter the new reason code programmed this year which notifies BFS the offset reversal adjustment was due to an External Lead referral. IPU 25U0126 issued 01-29-2025.
- (66) IRM 25.25.8.11(1) - Updated this subsection by rewriting and removing language suggesting that all questionable checks and payments should be routed to RIVO for processing since RIVO never had the ability to process them. In addition, policies affecting certain CCP inventory was updated that now shifts where checks are routed. A description of each inventory type was added as this was not clearly specified previously. The Exception was removed because Treasury Checks are no longer routed to RIVO and so the reference to TAS is no longer applicable. IPU 25U3418 issued 06-20-2025.
- (67) IRM 25.25.8.11(2) - Added the guidance for this paragraph to IRM 25.25.8.11.2 since it was specific to third-party checks. IPU 25U3418 issued 06-20-2025.
- (68) IRM 25.25.8.11(3) - Removed this guidance since instructions are already included for opening a control base for third-party checks and miscellaneous repayments. No control should be open for Treasury checks since they are no longer worked by RIVO. IPU 25U3418 issued 06-20-2025.

- (69) IRM 25.25.8.11.1(1) - Updated this subsection to comply with the change in policy regarding where Treasury checks will be routed if forwarded to RIVO. A table was also added with specific instructions for routing Treasury checks and correspondence routed to RIVO. IPU 25U3418 issued 06-20-2025.
- (70) IRM 25.25.8.11.1(1) - Streamlined the instructions for addressing Treasury check referrals sent to RIVO based on the negotiated agreement to route them to Refund Inquiry, and correspondence to ICT. IPU 25U0126 issued 01-29-2025.
- (71) IRM 25.25.8.11.2 - Updated the title to reflect the subsection include guidance for both CCP inventory types. IPU 25U3418 issued 06-20-2025.
- (72) IRM 25.25.8.11.2(1) - Added instructions for creating a lead number for the cases referred to RIVO. IPU 25U3418 issued 06-20-2025.
- (73) IRM 25.25.8.11.2(2) - Added the instructions removed from IRM 25.25.8.11 because it pertained to third-party checks. IPU 25U3418 issued 06-20-2025.
- (74) IRM 25.25.8.11.2(3) - Added instructions to emphasize RIVO should not be receiving live checks due to their inability to process them and the security risk. Also, information was added for routing them to the originator. In addition, information was added to advise who the third-party checks will come from since typically we have a contact for those institutions. IPU 25U3418 issued 06-20-2025.
- (75) IRM 25.25.8.11.2(3) Table - Updates were made throughout the table to ensure the appropriate script and follow up letters are issued which was not listed previously. IPU 25U3418 issued 06-20-2025.
- (76) Exhibit 25.25.8-2 - Removed from the Table all scenarios that are now obsolete or no longer applicable. IPU 25U3576 issued 08-27-2025.
- (77) Editorial changes were made throughout the IRM for the following reasons:
- Removed instructions that were duplicated.
 - Edited sentences for clarification to make them clearer and easier to understand.
 - Reorganized IRM subsections to improve the flow of instructions provided in a more logical order without making substantive changes to the content or material.
 - Corrected spelling, grammar, titles, punctuation marks, and word spacing.
 - Renumbered scenarios in various tables due to the removal or addition of conditions.
 - Added or corrected references including points of contact, citations and broken links as well as email addresses cited.

EFFECT ON OTHER DOCUMENTS

IRM 25.25.8 dated December 12, 2024 (effective December 12, 2025) is superseded. This IRM incorporates the following IRM Procedural Updates (IPU), IPU 25U0126, issued 01-29-2025, IPU 25U0139 issued 01-30-2025, IPU 25U3418 issued 06-20-2025, IPU 25U3576 issued 08-27-2025 and IPU 25U3578 issued 08-28-2025.

AUDIENCE

Return Integrity Verification Operations employees.

RELATED RESOURCES

(1) The related resources listed below may be accessed for account research and issue resolution:

- Electronic Fraud Detection System Database (EFDS)
- Lead Management System (LMS) and Offset Reversal Lead (OSRL)
- External Lead Integrated Automated Technologies (IAT) Tool
- RIVO Portal External Lead *RIVO*

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Taxpayer Service Division

25.25.8

Revenue Protection External Lead Procedures

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Exhibits

- 25.25.8-1 Letter for Intercepted Prepaid Debit Card(s)
- 25.25.8-2 External Lead Involvement Indicators
- 25.25.8-3 Recovery from Third Party Check Letter

25.25.8.1
(07-08-2020)
Program Scope and Objectives

- (1) Purpose and Program Goals: This IRM subsection provides guidance for Return Integrity Verification Operations (RIVO) employees when screening Individual Master File (IMF) returns in the Electronic Fraud Detection System (EFDS) for possible identity theft and false income and withholding.
- (2) Audience: RIVO employees
- (3) Policy Owner: Denise D. Davis
- (4) Program Owner: RIVPM program office

25.25.8.1.1
(09-23-2021)
Background

- (1) Return Integrity Verification Program Management (RIVPM) strengthens the integrity of the tax system by:
 - Protecting the public interest by improving IRS's ability to detect and prevent improper refunds
 - Serving the public interest by taking actions fairly and appropriately to identify, evaluate and prevent the issuance of improper refunds
 - Helping taxpayers understand the refundable tax credits for which they are eligible
 - Primary stakeholders are Return Integrity Verification Operations (RIVO), Accounts Management and Taxpayer Advocate
 - Program Goals: Provide guidance for screening and the disposition of returns claiming questionable refunds

25.25.8.1.2
(04-20-2020)
Authority

- (1) The following references provide authority for RIVO:
 - IRM 1.2.1.5.10, Policy Statement 4-21
 - IRM 1.2.2, Servicewide Policies and Authorities, Servicewide Delegations of Authority
 - IRM 1.1.13, Wage and Investment
 - Various Internal Revenue Codes (IRC) including but not limited to:
 - IRC 6402(a), *Authority to make credits or refunds*
 - IRC 6401, *Amounts treated as overpayments*
 - IRC 6404, *Abatements of tax*
 - IRC 6213, *Restrictions on assessments and math error authority*

25.25.8.1.3
(09-23-2021)
Roles and Responsibilities

- (1) RIVPM has responsibility for information in this IRM. Information is published in the IRM on a yearly basis
- (2) The Director of RIVPM is responsible for the policy related to this IRM.
- (3) The Chief of the RIVPM Policy & Analysis is responsible for ensuring this IRM is timely submitted to publishing each year.
- (4) The Tax Analyst ensures this IRM is updated with current policies and procedures used by RIVO employees to manage their assigned inventory.
- (5) RIVO employees are responsible for executing procedures per the guidance provided in this IRM.
- (6) More information can be found in IRM 1.1.13.5, Return Integrity and Compliance Services.

- 25.25.8.1.4
(04-20-2020)
Program Management and Review
- (1) The Return Integrity Verification Operation (RIVO) Monthly Performance Comparison Report, tracks the inventory, including receipts and closures. Additional report guidance is found in IRM 1.4.10 , Return Integrity & Verification Operation Managers Guide.
 - (2) The Embedded Quality review program is in place to review all processes to ensure accuracy and effectiveness of the program. Goals, measures, and operating guidelines are listed in the yearly Operation Guidelines and in IRM 21.10.1 , Embedded Quality (EQ) Program for Accounts Management, Campus Compliance, Field Assistance, Tax Exempt/Government Entities, Return Integrity and Compliance Services (RICS), and Electronic Products and Services Support.
- 25.25.8.1.5
(04-20-2020)
Terms and Acronyms
- (1) For a list of Acronyms used throughout RIVO see IRM 25.25.1.1.6, Acronyms
- 25.25.8.1.6
(09-23-2021)
Related Resources
- (1) The related resources listed below may be utilized for account research and issue resolution. These related resources may be accessed through the IRS Intranet-Servicewide Electronic Research Program (SERP) site.
 - Electronic Fraud Detection System (EFDS)
 - Lead Management System (LMS)
 - Offset Reversal Lead (OSRL)
 - External Lead Integrated Automated Technologies (IAT) tool
 - RIVO Portal for External Lead *RIVO*
 - (2) Integrated Data Retrieval System (IDRS) Follow IRM 21.2.1.3.2, Authorized IDRS Access.
 - (3) The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. 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 more information about the TBOR, see *Taxpayer Bill of Rights*.
- 25.25.8.1.7
(11-13-2020)
External Lead Program Overview
- (1) An External Lead involves a questionable federal tax refund reported by financial institutions or various other sources. A lead can be a Treasury Check, direct deposit/Automated Clearing House (ACH), refund anticipation loan check or pre-paid debit card. The IRS RICS' External Lead Program is responsible for receiving and processing leads, and ACH credits returned by financial institutions and other sources. RIVO External Lead teams work with IRS Submission Processing to receive questionable leads, screen, and validate them and subsequently request the recovery of refunds to reconcile the accounts.
Lead Sources include:
 - Criminal Investigation
 - Refund Inquiry
 - Financial Institutions
 - Federal and State agencies
 - National Banks
 - State Banks
 - Savings and Loan Associations

- Mutual Savings Banks
- Credit Unions
- Brokerage Firms
- Government Agencies
- Correctional Facilities
- Various Other Sources

(2) Leads should be received into the general mailbox as follows:

For External Use - *efleads@irs.gov*

For Internal Use - **TS-RICS External Fraud Leads*

Exception: Taxpayer Advocate Service (TAS) follows the Return Integrity and Compliance Service (RICS) Service Level Agreement (SLA) addendum procedures.

(3) The *Acknowledgement Verbiage* script must be sent to the financial institution the same day or next business day after a lead is received.

25.25.8.2
(08-27-2025)
**External Lead Mailbox
Process**

(1) Timely processing of the External Leads mailbox will be prioritized. Employees assigned are our primary Point of Contact (POC) for the Bank Lead program. Therefore, it is critical that mailbox staff review all emails received daily and issue the appropriate response in accordance with established timeframes (See Table in paragraph 3 below). This also includes ensuring that each email is flagged accordingly and forwarded as appropriate (See *External Lead Mailbox Process Guide* and *External Lead Feedback Scripts*). Management will be responsible for ensuring adequate coverage each workday, taking into account any scheduled or unscheduled events including but not limited to office closures, training, and special assignments.

Note: Inquiries that require elevation to headquarters, flag the email **red** and then forward the inquiry to *&TS Bank Leads Analysts*.

Lead Types

- TOP Offsets
- Leads with funds available
- Lead only (no funds available) - No funds are available to be returned. See IRM 25.25.8.2.1, Lead Only (No Funds Available) for additional information.
- Automated Clearing House (ACH) Reversals - follow procedures in IRM 25.25.8.2.2, Automated Clearing House (ACH) Reversals
- Altered and/or Stolen Checks - See IRM 25.25.8.2.3, Altered Checks for additional information and IRM 25.25.8.3.1, Processing Altered and Stolen Checks for processing these lead types.
- Business Master File (BMF) Leads - The refund was generated from a return using an Employer Identification Number. See IRM 25.25.8.3.3, BMF External Lead Procedures for more information
- Centralized Check Process leads involving returned Treasury checks, third-party checks and/or miscellaneous repayments. See IRM 25.25.8.11, Centralized Check Process for more information
- Economic Impact Payment (EIP) - see IRM 25.25.8.2.5, Identifying Economic Impact Payments and IRM 25.25.8.3.2, Processing Economic Impact Payment Leads for further information

- (2) Leads received by **Santa Barbara Tax Product Group** will meet exception processing since funds are returned prior to a completed review of accounts. Follow the steps below for processing leads from this source:
- Do not assign the Lead to a team for review
 - Update the Lead Record in Bank LMS to Indem Required "False"
 - Update the Lead Record in Bank LMS to status "Waiting for Deposit", sub-status "Awaiting Deposit (Indem Sent if Applicable)"
 - Update the Account Records in Bank LMS to "Suspense"
 - Once the deposit is received, assign to a team for processing the lead
- (3) Employees assigned to the External Leads mailbox will use the table below when an email is received. Refer to the RIVO External Leads (EL) Portal on SERP for supporting guidance (*External Lead Mailbox Process Desk Guide and EL Feedback scripts*).

Reminder: All actions below **must** be taken the same day or the next business day if received after hours or a non-workday.

IF	AND	THEN
1. Lead submitted includes only IMF or BMF accounts (not a combination of the two)		<ul style="list-style-type: none"> Create the lead number by using the email received date and the sequence number (XX). Exception: BMF leads, add a "B" at the end of the Lead number. IMF only leads that contain only altered checks, add an "A" at the end of the Lead number. Add the new Lead information to the EL Inventory listing on the EL Sharepoint Prepare an e-mail to the bank POC containing the appropriate Acknowledgement Verbiage based on the Lead type. Note: If the lead source is TIGTA, SBSE or CI, do not send the script. The assigned TE will follow the guidance in IRM 25.25.8.3 Processing External Leads, paragraph 7 Table. If the lead submission contains unsecured or unencrypted Personally Identifiable Information (PII), also provide the <i>Email/Attachment Not Secured or Encrypted Script</i>.

		<ul style="list-style-type: none"> • If the lead source is new, also include the Lead Submission spreadsheet and attach Publication 5033 <i>IRS EXTERNAL LEADS PROGRAM: FACT SHEET ON SUBMITTING LEADS</i>. • Additionally with new lead sources, contact RIVO Super Admin POC's to add the bank to LMS and the Approved Bank Name Listing so that the Lead submission spreadsheet can be imported into the database. Lastly, add the bank and POC information to the Bank POC and Passwords listing on the EL Sharepoint. • Create the lead folder on the Bank Leads Share using the following naming convention: lead number, financial institution name, first initial and last name of the Point of Contact (POC) that submitted the lead. If the lead source is from CI, TIGTA or SBSE, add an abbreviated job title for the point of contact and their last name (i.e., Policy Analyst Joe Hog - 040222 01 West Bank PA HOG) • Save copies of the original lead submission email and your acknowledgment email into the Lead folder in PDF format along with all attachments received. <p>Reminder: Do not modify or edit any of the attachments received. Making a copy of a document is permissible if the intent is to make edits.</p> <ul style="list-style-type: none"> • Lead folders will be placed in the appropriate Fiscal Year (FY) folder on the Bank Leads Share. • Import all leads, to the Lead Management System (LMS) - Bank database • Add to LMS the following: Institution's routing transit number, Lead Type, Submission Method, and Lead Received Date
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2. Lead include both IMF and BMF account		<ul style="list-style-type: none">• Using a copy of the bank's original submission spreadsheet, create two separate spreadsheets: one for IMF accounts and another for BMF accounts, while maintaining the original order of accounts.• Follow guidance to complete the mailbox procedures as outlined in row one based on payee type.• Generate two lead numbers and create two electronic lead folders on the Bank Share.
3. Lead only, no funds		See IRM 25.25.8.2.1, Lead Only (No Funds Available) for guidance to address these lead types.

<p>4. Leads/inquiries requiring special, priority, or expedited handling:</p>		<ul style="list-style-type: none"> • Reclamation Claims, Indemnification Requests, or follow up emails pertaining to the them must be forward to <i>*TS RIVO Recon Admins</i>. • Pending lawsuits, ACH Reversals, E-mails with Follow-up in the Subject line, Leads from CI, TIGTA, or SBSE indicating a short time frame for recovery of funds: Forward to <i>*TS Bank Lead Escalations</i> local procedures for flagging the email if appropriate. Those flagged for RIVPM Headquarters, forward a copy of the email to <i>*TS Bank Leads Analyst</i>. • If no designated flag or standard procedure was created for the inquiry, then see your Lead or manager for directions. <p>Follow up emails:</p> <ul style="list-style-type: none"> • If an inquiry states that a previously submitted lead was not acknowledged, follow the appropriate steps above in paragraph 3 for processing a new lead. • Other inquiries not requiring escalation: Lead number previously established - Forward the email to the assigned employee and their Lead to follow up. <p>Reminder: The Worklead, analyst, manager, or other Service employee responsible for answering the inquiry must acknowledge receipt (back to the lead source) within one business day and provide a complete and accurate response (back to the lead source) within two business days.</p>
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25.25.8.2.1
(06-20-2025)
Lead Only (No Funds Available)

- (1) A Lead Only (No Funds Available) involves a lead which the bank states, no funds are available to be returned. Take the following actions to address these leads:
- Create a new lead number that consist of the original lead number assigned, followed by the letters LO.
 - Import the lead into the Lead Management System (LMS).
 - Select from the Edit field on the Summary of Accounts page in LMS, **Lead Only** as the type of lead.

- d. Refer case to Lead to complete steps e and f.
- e. Send the financial institution, the *Lead Only (no funds available to be returned)* feedback script.
- f. Update the accounts and lead as **Completed** in LMS and then move the lead folder to the Completed one.

25.25.8.2.2
(06-20-2025)

Automated Clearing House (ACH) Reversals

- (1) An ACH reversal is a lead type that involves a rejected direct deposit refund using a reason code other than 17 and 23. If notified of this type of reversal, it is important that actions be taken the same day to prevent the refund from being released. See steps 2-4.

Note: These are not common cases now, but if an ACH reversal appears in a TE's inventory, it must be made a priority to address.

- (2) Open the ACH control base as **C0,BKLDACHREV, A, MISC,148XX00005**.
- (3) Initiate refund stopping actions, and follow procedures in IRM 25.25.2.4, Stopping the Refund.
- (4) Send the *Notice of ACH Reversal* script by e-mail and attach Pub 5033, "IRS External Leads Program: Fact Sheet on Submitting Leads" to the financial institution.

25.25.8.2.3
(06-20-2025)

Altered Checks

- (1) An altered check is one that was materially or maliciously altered to commit fraud. Usually this entails a change to the original payee's name, address and/or the refund amount.
- (2) The Treasury Inspector General for Tax Administration (TIGTA) has oversight of these types of cases.

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accounts associated with these checks will be marked, as of cycle 202504, by a TC 841 with block and serial number 77715 and a P- freeze posted to the module. Prior to this cycle, accounts will be identified with a **TC 971 AC 123 MISC>ALTERED-CHK** marker posted. Beginning Mar 2025 a notice CP 53 (IMF accounts) or CP 153W (BMF accounts) will automatically generate to notify taxpayers their return is being reviewed.

- (4) See IRM 25.25.8.3.1, Processing Altered and Stolen Checks for the lead number naming convention. .

25.25.8.2.4
(01-30-2024)

Other Inquiries

- (1) The External Lead mailbox may receive general inquiries that may require special handling. The proceeding paragraphs identify some of the more common types of inquiries and how to respond to them.
- (2) **Legal or policy issues** - Elevate to RIVPM Policy Analyst External Lead program POCs.
- (3) **Taxpayer inquiries** - Taxpayers may email the External Lead mailbox about the status of their refund after being advised the bank returned it. Send *the Taxpayer Inquiries - IRM 25.25.8.4(3)* feedback script.

- (4) **Reclamation Claim Request** - Flag the e-mail and forward it to **TS RIVO RE-CON Admins*. See IRM 25.25.8.2.4.1, Reclamation Claim Requests for additional information.
- (5) **Third-party Check Emails** - Recovery from 3rd party check e-mails will be assigned to the Centralized Check Process (CCP) POC. Do not create a lead on these referrals. Scan the third-party check and save to the CCP folder. Notate on photocopy if original check or copy of check received.
- (6) **Indemnification Request** - Involves a bank requesting the IRS return funds associated with a refund(s) that was recovered. See IRM 25.25.8.2.4.2, Indemnification Requests for additional information.
- (7) **Sign Bank's Hold Harmless Letter** - Financial Institutions legal department may require, before returning funds, the IRS sign their hold harmless letter in lieu of accepting our indemnification letter. Respond by sending the *Hold Harmless Signature Request* script.

25.25.8.2.4.1
(06-20-2025)
**Reclamation Claim
Requests**

- (1) A reclamation claim request is initiated by the Bureau of Fiscal Service (BFS) when a non-receipt claim involving a stolen check is adjudicated or an altered check is presented for payment by a financial institution. BFS will demand the financial institution return the funds. If an inquiry is received regarding the receipt of a reclamation claim, forward it to the *RIVO Recon Team* for processing and response. Use the table below for the appropriate response to provide.

Reminder: TEs can no longer intervene on behalf of banks to request BFS to abandon their reclamation claim.

- (2) The TE assigned to process the reclamation request, must open a control base to **BANKREQ,A,MISC** and then close once all resolving actions listed in the table below are resolved.

Reclamation Claim Inquiries

IF	THEN
1. Funds were recovered or the bank advised funds were returned, but there is no current record of the posted payment.	Email the bank POC, the <i>Funds Recovered</i> script found on the RIVO Portal page
2. Research indicates funds were not recovered, nor an acknowledgement by the bank funds were returned.	Email the bank POC, the <i>No Funds Recovered</i> script

25.25.8.2.4.2
(06-20-2025)
**Indemnification
Requests**

- (1) Financial Institutions will occasionally request for recovered funds to be returned. The subject line may not specify this and so it is important that the TE read the email and understand what is being requested. Forward the email to the *Recon Team* to review and respond. The *Indemnification Request Acknowledgement* script must be sent for all of these requests.

- (2) The TE assigned to process the reclamation request, must open a control base to **BANKREQ,A,MISC** and then close once all resolving actions listed in the table below are resolved.

25.25.8.2.5
(11-13-2020)
**Identifying Economic
Impact Payments**

- (1) The Economic Impact Payment (EIP) was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Payments are identified as follows:
- EIP 1 and 2 payments post to the 2020 tax year module
 - EIP 3 payments post to the 2021 tax year module
 - IDRS Command Code ENMOD and IMFOLE will post the transaction as a TC 971 AC 199. The source used to determine eligibility will also be posted to the module (i.e., tax year 2019 or 2018 tax return, REB, SSA, or RRB)
 - The amount of the payment (1/2 of the payment if filing status claimed on tax return is MFJ)
 - Julian date = **999**
 - TC 766 posted with Credit Reference Number 338 (amount attributable to the primary and secondary taxpayer) and/or 257 (amount attributable to qualifying children)
 - If the EIP was an ACH deposit that was rejected using return reason code 17, the Control D report will display an **R** after the 202012 tax period

25.25.8.3
(08-28-2025)
**Processing External
Leads**

- (1) Tax Examiners (TEs) will access the Bank Lead Management System (Bank LMS) to retrieve their assigned accounts and the **Bank Working Drive** to review the corresponding case files and documents.
- (2) TEs will also need to access a variety of other systems and electronics resources (depending on case specifics) to complete their duties, including, but not limited to: TCIS, RTR, IDRS, EUP, EFDS/STARS, the IRM, IAT, and the External Leads Tool (see local guidance for more information).
- (3) When working a Lead or Deposit with more than one account, TEs will export and update account records from the Bank LMS using the **spreadsheet method** (see local guidance).

Reminder: A determination of a valid or bad return must be made on all accounts with the exception of altered checks identified by the Bureau of the Fiscal Service programming. See the scenario in paragraph 2, Row 1 of the Table in IRM 25.25.8.3.1, Processing Altered and Stolen Checks. The results must be updated in LMS. Follow the procedures located in IRM 25.25.8.2.3, Altered Checks, for the creation of an altered check lead number and IRM 25.25.8.3.1, Altered and Stolen Checks for the processing these leads. Save any additional e-mails/attachments received to the associated lead folder as a PDF.

Reminder: Update the institution's RTN if not present on the spreadsheet. Attempt to retrieve the number from EFDS or CC IMFOBT. If the routing number is not available input a zero in the field in LMS.

Note: If the institution response contains a statement that all available information was provided, do not contact the institution.

- (4) Normally, all information necessary to identify the taxpayer account and return is provided by the source bank in the initial lead submission. However, if the lead is incomplete, the TE will need to conduct the necessary research to locate the tax module that corresponds to the referred account or deposit. See the *Bank Lead Research* job aide that provides the research required. If unable to locate the corresponding tax module, see the actions to take below.
- The assigned TE will refer the account(s) to the designated local POC (generally the Workleader), including the results of any findings.
 - After review, the designated POC will either reject the account(s) back to the assigned Tax Examiner (if a premature referral), or contact the source bank for additional information, copying the assigned Examiner.
 - If no response from the bank within two business days, one follow-up contact attempt will be made by the POC to the lead source, copying the assigned TE.
 - After two additional business days with no response, or the bank responds that no additional information is available, the account(s) will be referred to the RIVO P&A Staff for additional research, with a copy to the assigned Examiner. RIVO P&A will then advise as to account handling.

Reminder: All accounts within the lead, update all required fields as discussed in the **Bank LMS Spreadsheet**.

- (5) **BMF Leads** cannot be worked through the EL Tool mentioned in paragraph 6. Follow the instructions in IRM 25.25.8.3.3, **BMF External Lead Procedures** for processing these lead types. IMF Leads, continue below.
- (6) The External Lead Tool (ELT) will be used by the Tax Examiner to systemically process and review referred IMF returns associated with a lead to determine if the refund should be recovered. Users should refer to the *External Leads Tool (ELT) Desk Guide*, ELT Desk Guide for information regarding its use.

Exception: Due to the EL Tool limitations when used to determine if an amended return is valid or invalid, these returns must be manually reviewed.

- (7) Unless the lead type is a non-IRS refund, deposit only, or the lead is being re-assigned, use the EL tool to first ensure that bank lead markers are added to each account. If the tool cannot be used, TEs must manually place the markers on the account if the case does not meet one of the exceptions previously mentioned. Markers must include TC 971 AC 134, TC 971 AC 850, and an open control base on IDRS, **BKLD, A,MISC 148(XX)00001,***. If the TIN is an Internal Revenue Service Number (IRSN) when the SSN is available do not open a control. See IRM 3.21.263.5.5, **Internal Revenue Service Number (IRSN)** for other IRSN uses.

Note: This initial control base (BKLD) must be entered on all accounts except for non-IRS refunds and deposit only cases. A deposit only lead occurs when a bank return funds to the External Lead program without first submitting a lead for review. After the tool opens the IDRS control base and places the required markers on the account, it will research return, income/withholding information, and other data to make a determination as to whether the refund is valid (i.e., good) or not valid (i.e., bad or IDT). Once the tool finishes running a batch of accounts, it will prepare a "summary" and "detail" report, as well as an indemnification letter (if any funds are to be returned to the IRS).

- (8) Review the detail report from the ELT to ensure actions were input to the correct tax period. Manually input any actions that did not populate from the tool. For cases in which the account errored out or the tool made a valid decision, follow the research steps below in paragraphs 9-20 to assist in processing the lead and determining if the funds should be returned.
- (9) Review the reason for the referral provided by the financial institution.
- (10) Research the account for TC 971 AC 123 with MISC field "TPP Recovery". If present, do not research further, issue an indemnification letter to request the return of funds.
- (11) Review the account to determine if Form **4136**, Credit for Federal Tax Paid on Fuels was used to claim the Fuel Tax Credit (FTC) or Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals was used to claim the Sick Leave credit. Form 7202 is currently obsolete as it was only intended for use tax years 2020 and 2021. These credits and possibly Form 8863, Education Credits(American Opportunity and Lifetime Learning Credits) were identified as part of a social media promotion scheme that will require special handling. The table below will provide assistance with identifying the credits. See the Table in paragraph 23, Rows 7 and 8 below for guidance on processing leads involving these credits.

Fuel Tax Credit	Sick Leave Credit
IDRS CC TXMODA will display a TC 766 with the applicable Credit Reference Number (CRN) of the fuel type paid. See Form 4136 to see the specific CRN claimed.	IDRS CC TXMODA will display a TC 766 with the applicable Credit Reference Number (CRN) 299 or 271. <ul style="list-style-type: none"> CRN 299 - Qualified sick and family wages for wages paid April 1, 2020, through March 31, 2021 CRN 271 - Qualified Sick and Family Leave for wages paid April 1, 2021, through September 30, 2021
IDRS CC TRDBV and the Employee User Portal MeF files can be used to view the Form 4136 filed.	IDRS CC TRDBV and the Employee User Portal MeF files can be used to view the Form 7202 filed.
See IRM 4.19.15.16, Fuel Tax Credit Claimed on Form 4136 for additional information.	See IRM 4.19.14.17.4., Sick and Family Leave Credit (No current year business reported) for additional information.

- (12) Review IRM 25.25.2.2, Data Mining Screening to assist in making your determination. As a reminder, External Leads will not have a dollar tolerance on refunds.

Note: Use IDRS CC IRPTR data at all times to verify income documents as “good” (verified). Once IDRS CC IRPTR data is “available for bad” (“not verified”) (see local guidance) follow the If And Then chart to determine the validity of the information document (IDOC).

(13) Identify any previous IDRS reversal adjustments on the account.

(14) Review the account for Exam activity (TC 42X, -L freeze etc.).

Note: If Exam closed their audit and a determination was made (i.e., TC 30X), consider the return valid as filed. Do not request for the funds to be returned. If the funds were already returned, release them.

(15) Search entity modules for indications of identity theft such as a previously posted TC 971 with Action Code (AC) 5XX. See IRM 3.5.20.2.8.1, Identity Theft Indicator.

(16) Review IDRS for any payments (TC 610, TC 670, TC 430, TC 716, etc.) and subsequent reversal(s).

(17) Review account for any balance due conditions (this may indicate other actions taken on the account).

(18) Review IDRS for an extension to file (TC 460) posted after the return was posted or refund issued, which indicates a possible IDT filing.

(19) Review account posted TC 971 action code 078, indicating forgery.

(20) Review IDRS CC TXMOD for the tax period in question and ensure that there are no open controls or indications of other IRS function involvement. Contact the open control assignee(s), if found, before taking an action.

- (21) Update the EL Tool spreadsheet with any “manual” determinations made on accounts that the Tool rejected or worked incorrectly. Re-run those accounts through the Tool. Review the re-run accounts on IDRS, closing any duplicate or erroneous bank lead control bases. The assigned TE will then continue case processing actions following the If And Then chart below (in order) based on their tool’s review of the account. For cases where funds have been returned, instead see IRM 25.25.8.4 IRM 25.25.8.4, Processing External Lead Deposits. The guidance in the table below referencing **CI**, **SBSE**, or **TIGTA**, applies to cases that are actively being worked by them. If the submission was to assist the financial institution with no plans to open a criminal case, then follow normal guidance for processing the lead.

Reminder: If instructed to prepare an indemnification letter, it must be forwarded to the Worklead for review and approval the same day. Within 24 hours, the Worklead will either issue the indemnification letter or send the TE an email to advise of any corrections that need to be made before the letter can be released. TEs must respond to their Worklead regarding the issue within 24 hours of being notified to prevent further delays. All case actions must be documented in Bank LMS.

Caution: All cases must be reviewed to determine if there is an imminent statute issue. Therefore, if the Assessment Statute Expiration Date is within 90 days of expiring or has expired, the case will need to be referred to the Statute team to complete the adjustment. **Do not** wait for the deposit if funds are being requested. See *Barred/Quick Assessment Referral Guide*

for information on identifying statute cases and how to refer them. LMS.

If	And	Then
1. Valid or invalid refund, regardless of tax year	The bank’s response is, No funds available for recovery	<ul style="list-style-type: none"> • NO further research is required. • Update Bank LMS account record and close • Close BKLD control base, NO-FUNDSAVLB,C (the tool will take this action) • Reverse TC 971-134 (the tool will take the action) • Update Lead Submission Spreadsheet (IRS Working copy) with “\$0” entered in the <i>Funds to be Returned to IRS</i> column. • Import LMS spreadsheet with results to the Update folder.

If	And	Then
2. Lead source is from CI, TIGTA, or SBSE	the return is confirmed as invalid by the source or research AND no funds were received with the lead	<ul style="list-style-type: none"> • Update Bank LMS account record • Update BKLD control base to "REQFUNDS,148XX00002" (the tool will take this action). • Prepare indemnification letter (the tool will take this action) and notify the Worklead it is complete • Prepare the CI/SBSE Refund Recovery Assistance script • Update Lead Submission spreadsheet (IRS working copy) with the dollar amount to be returned in the Funds to be Returned to IRS column <p>Note: If the lead source does not provide a bank POC, check the financial Institution POC Listing for a good contact. Send the letter and script to that bank POC's e-mail address. If no reliable bank POC is found, notify the lead source a bank POC e-mail address needs to be provided to issue the request.</p>
3. The return is for any year	There is an unreversed TC 971-123 TPP Recovery transaction present on the account.	<ul style="list-style-type: none"> • No further research is required • Update Bank LMS account record • Update BKLD control base "REQFUNDS",148XX00002 (the tool will take this action). • Prepare indemnification letter (the tool will take this action) and then notify the Worklead it is complete • Update Lead Submission Spreadsheet (IRS Working Copy) with the dollar amount to be returned in Funds to Be Returned column
4. The return is three years or older than the current processing year		Follow guidance in row 3 of this Table

If	And	Then
5. The return is either for the current processing year or one to two years older than it	Return/Refund is valid	<ul style="list-style-type: none"> • Update Bank LMS record • Update BKLD control base "VALID150", 148XX00007,C (the tool will take this action) • Input TC 972-134 to reverse RIVO indicator. Do not add a TC 971-134 is not present on the account. • Input a history on IDRS CC TXMODA "VALIDNO134" (The tool will take the action) • Update Lead Submission Spreadsheet (IRS Working Copy) with "\$0.00" entered in Funds to Be Returned column. See IRM 25.25.8.4, Processing External Lead Deposits.
6. The return is either for the current processing year or one to two years older than it	Return/refund is questionable or confirmed invalid (IDT, potentially frivolous claim, unverified income and/or withholding outside of tolerance, etc.)	Follow guidance in Row 3 of this Table

[illegible]

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- 25.25.8.3.1
(08-27-2025)
Processing Altered and Stolen Checks

- (1) The Tax Examiner (TE) must determine if the lead involves accounts with only altered checks or a combination of altered and unaltered checks. Take the following actions to determine the naming convention for the lead:

IF	AND	THEN
Bank indicates Lead contains altered IMF checks		Add to the lead sequence number the letter A at the end of it. Note: The TE assigned the lead must confirm the check was altered and then correct lead number if appropriate.
IMF Lead contain both altered and unaltered checks	the unaltered check(s) is not stolen	<ul style="list-style-type: none"> Create the lead number and naming convention without adding the letter A to indicate altered check Reminder: See IRM 25.25.8.2, External Lead Mailbox Process for instructions if one was not created
An altered BMF check		<ul style="list-style-type: none"> Create lead number using the normal naming convention for BMF leads if one was not created (i.e., XXXXXX XXB) Notate in LMS Comment field, BMF Altered Check See IRM 25.25.8.3.3, BMF External Lead Procedures to complete processing the BMF lead.

- (2) Use the Tables below for responding to IMF accounts involving either an altered or unaltered stolen check. It is critical to distinguish which one as the guidance differs for the two. The information listed here will assist in making that distinction and the data required determining the scenario to follow. .

Note: Regardless of the type of check listed below, all accounts with the exception of the scenario in Row 1 of the first Table **below must** be reviewed to determine if the return that generated the refund was valid.

Altered Check - The name, address and/or the dollar amount of the refund displayed on the check is different from the payee's information as shown on IDRS or the Treasury Check Information System(TCIS) records.

Unaltered Stolen Check - Name, address, and refund amount displayed on the Treasury check matches the payee's name, but an attempt was made to deposit the payment into an account with no affiliation to the payee.

Collect the following data to determine which scenario to apply for case resolution:

- Check IDRS for the Refund Payment Date (RPD) or TCIS Payment Detail screen for the Refund Issue Date (RID) to determine when the refund was issued.

Note: Checks that are not negotiated after 12 months from the RID or RPD are automatically cancelled. There should be either a credit posted to the module, a new TC 846 release date, or an adjusted amount if an adjustment was done after the credit posted.

- Check IDRS for either a posted TC 841 with block and serial number 77715 and a P- freeze or a TC 971-123 MISC ALTERED-CHK posted to the module
- Research TCIS Claim Detail screen for issuance of either a replacement or settlement check
- Research IDRS for a posted TC 971-011 and the date of it

Altered Check

If	And	Then
<p>1 IDRS research displays either a posted TC 841 with block and serial number 77715 and a P- freeze, or a TC 971-123 MISC ALTERED-CHK with a credit totaling the amount of the refund</p> <p>Note: Due to programming and an agreement with BFS, once the credit post back to the account with the applicable indicators, RAAS will attempt to make the initial determination of a valid versus invalid refund.</p>		<ul style="list-style-type: none"> • Update the Lead Submission spreadsheet by entering in the column entitled, Funds to Return to the IRS, \$0-Altered • E-mail the bank their updated Lead Submission spreadsheet and the <i>No Funds Requested</i> script • Enter in LMS at the Account level Results field, "Other", and add to Comments, "Altered, no funds requested" • Update LMS account to Complete status • Close all open IDRS External Lead controls and reverse the TC 971-134 marker.
2 Check confirmed as altered and per TCIS Payment Detail screen it was paid	RID is over 1 year old	Process account per IRM 25.25.8.3 Processing External Leads.
3 IDRS research shows a posted TC 971-123 MISC ALTERED-CHK posted to the module without a corresponding credit for the refund		Elevate via email to RIVPM P&A External Lead POCs for review and guidance. Enter in the Subject line TC 971-123 Altered Ck-No credit

If	And	Then
4 Check was altered, but not negotiated		Less than 1 year old from RID <ul style="list-style-type: none"> • Check TCIS Payment Detail Paid Date details to confirm if the check was paid. • If No, input a F-Stop. • Issue bank the <i>Refund Cancellation</i> script. • Update the Lead Submission spreadsheet to indicate in the <i>Funds to Return to the IRS</i> column, \$0 - Altered • If Yes, elevate to RIVPM P&A External Lead POCs for further instructions. Notate in the subject line "Paid Altered Check" -
5 Lead include altered and unaltered checks	the unaltered checks are not stolen	<ul style="list-style-type: none"> • See rows 1 - 4 above to determine the appropriate action for addressing the accounts involving an altered check. • Update LMS Results and Comment fields for all altered checks based on the applicable conditions found in rows 1 - 4 • See IRM 25.25.8.3, Processing External Leads to determine if funds will be recovered for the unaltered checks. • Update the Lead Submission spreadsheet Funds to Recover column in accordance with instructions to recover funds or not

Unaltered Stolen Checks

If	And	Then
<p>1 One or more of the following markers appear on IDRS:</p> <ul style="list-style-type: none"> • A TC 841 with block and serial number 77715 and a P- freeze • TC 971 AC 123 MISC ALTERED-CHK posted to the module with a credit for the refund • TC 971-011 transaction date is less than 1 year old from the current date 	<p>One of the following:</p> <ul style="list-style-type: none"> • TCIS indicates a settlement check was issued • a claim package was sent to the payee • TCIS indicates the claim package was received, but no decision made (See TCIS Claim Detail and/or UCC Detail screens) 	<ul style="list-style-type: none"> • Update the Lead Submission spreadsheet by entering in the column entitled, Funds to Return to the IRS, \$0-Stolen • E-mail bank the No Further Action - Stolen script and the updated Lead Submission spreadsheet • Enter in LMS at the Account level Results field, Other, and add to Comments, Stolen, no funds requested • Update LMS account to Complete status • Close all IDRS External Lead controls

<p>2 One of the following applies:</p> <ul style="list-style-type: none">• No TC 971-011 posted to the module and the refund payment date is over 1 year old• The TC 971-011 date is over 1 year old, and no corresponding credit posted or subsequent refund released		<ul style="list-style-type: none">• Check TCIS Payment History screen Claims History for the Claims Disposition Notice (CDN) code Note: TCIS Help link provides a description of each CDN code• If the CDN code indicates the claim settlement was denied, not authorized, or not recommended, follow instructions in IRM 25.25.8.3, Processing External Leads to determine if funds should be recovered• If no update to the CDN code, elevate to RIVPM External lead POCs for guidance.
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3 Check confirmed as stolen	No record of a non-receipt claim posted to the account or settlement check issued	<ul style="list-style-type: none"> • Input a D-Stop on TCIS to initiate a lost/stolen refund claim. • Update the Lead Submission spreadsheet by entering in the column entitled, Funds to Return to the IRS, \$0-Stolen • E-mail bank, the <i>No Further Action-Stolen</i> script and the updated Lead Submission spreadsheet • Enter in LMS at the Account level Results field, Other, and add to Comments, Stolen, no funds requested • Update LMS account to Complete status
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25.25.8.3.2
(08-27-2025)

Processing Economic Impact Payment Leads

- (1) Upon the receipt of an Economic Impact Payment (EIP) Lead, open an IDRS Control to 148XX00001 on each account with activity code "BKLD". Then review and process the Lead as described in the Table below.

Reminder: Due to a court ruling on October 14, 2020, an incarcerated individual cannot be denied an Economic Impact Payment if they meet eligibility requirements. See the Table below for **EIP Eligibility Criteria**.

Note: If the account contains estimated tax payments (i.e., TC 710, 716, OR 823), a manual refund will be required to release only the EIP portion.

EIP Eligibility Criteria

IF	AND	THEN
1 The Citizenship Code is A , there are no indicators of identity theft and the individual's date of death occurred after the payment refund date.		<ul style="list-style-type: none"> • Do not recover the funds • Close control • Update LMS account/lead records as appropriate
2. There are indicators of identity theft and/or the individual's date of death occurred before the refund payment date.	The citizenship code is A, B, C, D, or E	<ul style="list-style-type: none"> • Prepare indemnification letter and notify Worklead that it is completed • Update the accompanying spreadsheet and return to the bank source • Update LMS account/lead records as appropriate • Enter in IDRS CC TXMODA, TC 971-850
3. The citizenship code is B Note: If the taxpayer is deceased, apply the applicable guidance in Row 1 or 2 above to determine their eligibility.	A questionable EIP1 lead was received, and: Form 1040 tax return was filed for tax year 2018 or 2019, or a return was filed through the non-filer portal with AGI of \$1.00 and CC IRPTRO show W-2 income present Or A questionable EIP2 or 3 lead was received, and: Form 1040 tax return was filed for tax year 2019 or 2020, or a return was filed through the non-filer portal with AGI of \$1.00 and CC IRPTRO show W-2 income present	<ul style="list-style-type: none"> • Do not recover the funds • Close control • Update LMS account/lead records as appropriate Note: If funds are returned to the IRS without our consent, the taxpayer can claim the Recovery Rebate Credit when they file their 2020 individual tax return.
4. The citizenship code is B Note: If the taxpayer is deceased, apply the guidance specified in Row 1 or 2 of this Table to determine their eligibility	A questionable EIP1 lead was received, and: No Form 1040 tax return was filed for tax year 2018 or 2019, or a return was filed through the non-filer portal with AGI of \$1.00 and CC IRPTRO show No W-2 income present. Or A questionable EIP2 or 3 lead was received, and: No Form 1040 tax return was filed for tax year 2019 or 2020, or a return was filed through the non-filer portal with AGI of \$1.00 and CC IRPTRO show No W-2 income present	<ul style="list-style-type: none"> • Prepare indemnification letter and notify Worklead that it is completed • Update the accompanying spreadsheet and return to the bank source • Update LMS account/lead records as appropriate • Input on IDRS CC TXMODA, TC 971 AC 850

IF	AND	THEN
5. The citizenship code is C, D, or E <i>Exception:</i> If the citizenship code is C and the lead involves a questionable EIP3 deposit, see Row 6 below to determine eligibility requirements.		<ul style="list-style-type: none"> • Prepare indemnification letter and notify Worklead that it is completed • Update the accompanying spreadsheet and return to the bank source • Update LMS account/lead records as appropriate • Input on IDRS CC TXMODA, TC 971 AC 850
6. The Citizenship Code is C	A questionable EIP3 lead was received: Form 1040 tax return was filed for tax year 2019 or 2020, or a return was filed through the non-filer portal with AGI of \$1.00 and CC IRPTRO show W-2 income present for 2019 or 2020.	<ul style="list-style-type: none"> • Do not recover the funds • Close control • Update LMS account/lead records as appropriate
7. The citizenship code is Blank per IDRS CC DDBKD, and the return address is in a Freely Associated State (i.e., Federated States of Micronesia, Republic of the Marshall Islands, or Republic of Palau)		Follow guidance in Block 3 or 4 depending on your research results to determine eligibility
8. Return address is in Guam or the Federated States of Micronesia	The Lead Submission spreadsheet indicates in the Reason for Return field, individual already received a check from the Bank of Guam or similar verbiage	<ul style="list-style-type: none"> • Prepare indemnification letter and notify Worklead that it is completed • Update the accompanying spreadsheet and return to the bank source • Input on IDRS CC TXMODA, TC 971 AC 850 • Update LMS account/lead records as appropriate

25.25.8.3.3
(08-27-2025)

BMF External Lead Procedures

- (1) A BMF lead involves a referral containing a questionable refund from a business entity as indicated by an Employer Identification Number (EIN) is used as the TIN. Once the TE identifies the lead involves a BMF account, the TE must pre-screen each one for warning labels before proceeding. See the bullets below for warning labels:

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(2) Follow the procedures in the table below when a BMF lead is received.

Reminder: Copies of all communications must be saved to the Lead folder in PDF format.

IF	AND	THEN
1. Lead source or your review indicates the refund was stolen and/or altered		<ol style="list-style-type: none">1. See IRM 25.25.8.3.1, Processing Altered and Stolen Checks for recovery guidance and the appropriate script to issue2. Send an e-mail to the <i>BMF Referral</i> mailbox, and include in the subject line, External Lead BMF Referral. Lead number (EX: 010221 04B) - and depending on the guidance from step 2 below enter “either Funds Requested”, “Funds Recovered”, or No funds Requested - Altered or Stolen Check and the last four digits of the Employer Identification Number (EIN)3. Follow and apply the guidance in IRM 25.25.8.3.1, Processing Altered and Stolen Checks to determine the appropriate script to issue for funds being recovered, updates to LMS and the Lead Submission spreadsheet.

IF	AND	THEN
<p>2. Lead account(s) contains one of the warning labels above or the lead source is from CI, SBSE, TIGTA</p>		<ul style="list-style-type: none"> Open controls to BMFREQFUND 148XX00002, and add history note: H,XXXXXX-XXB to indicate funds were requested. Issue indemnification letter to recover the refund. Exception: Funds were submitted with the lead. See the table in IRM 25.25.8.4(8) for processing the deposit. Send an e-mail to the <i>BMF Referral</i> mailbox, and include in the subject line, External Lead BMF Referral. Lead number (EX: 010221 04B) - “Funds Requested” or “Funds Recovered” if in our possession and the last four digits of the Employer Identification Number (EIN). Add to the body of the email, the EIN, MFT, tax period, refund amount and the reason why the referral was made. Attach to the email, a copy of the Lead Submission spreadsheet and any relevant documents submitted with the lead. Save the sent e-mail as a pdf in the lead folder as BMF Referral mmddyy. Update the status in LMS to Waiting for Deposit. If the deposit was received with the lead and it was processed, update LMS to Complete.

IF	AND	THEN
<p>3. BMF lead is received and none of the conditions in 1 or 2 above are applicable.</p>		<ul style="list-style-type: none"> • Open a control base to 148XXXXX01 with activity code BMFBKL • Add history note: H,XXXXXX-XXB • Send an e-mail to the <i>BMF Referral</i> mailbox, and include in the subject line, External Lead BMF Referral, Lead number (EX: 010221 04B) - Do we request funds? and the last four digits of the business EIN. <i>Exception:</i> If funds were remitted with the lead, enter “Funds Recovered” in the subject line instead of “Do we request for funds?”. • Add to the body of the email, the EIN, MFT, tax period, refund amount and the reason why the referral was made. • Attach to the email, a copy of the Lead Submission spreadsheet and any relevant documents submitted with the lead. <i>Reminder:</i> If any IMF accounts are listed on the spreadsheet they must be removed before sending the referral. • Save the sent e-mail as a pdf in the lead folder as BMF Referral mmddyy and the reply to the e-mail as BMF Referral Reply MMDDYY • Take the following actions depending on the response from Entity Fabrication: Request Funds - Issue the indemnification letter and update the controls to BMFREQFUND 148XX00002 Valid/Do Not Request Funds - Update status in LMS, close the control base to “NOFNDREQ” and notify the bank, funds will not be requested.

25.25.8.4
(08-27-2025)**Processing External
Lead Deposits**

- (1) Once notification is received that funds were returned, the designated POC will prepare the deposit using the procedures in the *Preparing a Deposit Job Aid*. The assigned Tax Examiner (TE) will then work the deposit beginning with paragraph 2 below.

Note: The External Lead TE has 15 working days to complete deposit processing (including all CC ELP45 inputs and commingled memos), barring any delays or large leads.

- (2) Before working an assigned deposit, the Tax Examiner will review that morning's 132 Report (see local guidance) to assist in processing the deposit. Use of the ELT is mandatory when working a deposit unless there is a programming limitation that prohibits its use. See the *External Leads Tool (ELT) Desk Guide* for further information. See the table below for leads requiring special handling or actions to be taken. Once an entire deposit has been completed, the assigned TE will notify their designated POC, who will ensure that the deposit record, associated leads and accounts, and commingled funds memo (if applicable), are ready for closure. For BMF deposits, review the table below and then skip to Paragraph 6.

Deposits Requiring Special Handling and Actions

If	Then
1. Lead source came from CI, TIGTA, or SBSE	Before processing the deposit (beginning with Paragraph 3 below), notify the lead source (CI, TIGTA, or SBSE) , of the amount recovered, and the date of receipt.
2. Rejects from the ELT	Evaluate to determine if the reject can be reinput, and if not, manually input the CC ELP45 transaction or commingling actions. If a BMF account which cannot be processed using ELP45, follow guidance on the SERP Portal to prepare a Form 3245 and send for processing.
3. Failure to CMODE to the Kansas City Service Center location when inputting a TC 720 (either manually or via ELT) or incorrect information was entered for the (receipt date, payment amount, etc.)	Input IDRS CC TERUP the same day before 6 pm eastern (See IRM 2.4.13.2, Command Code TERUP General Information for further information.

If	Then
4. Deposit information is inaccurate, missing or not up to date	<ul style="list-style-type: none">• Update the inaccurate or missing information if it is available.• If not available, notify the designated POC to contact the bank to secure the inaccurate or missing information.
5. LMS database required fields are incomplete	<p>Access LMS and update Lead, Account, and Deposit records as appropriate. See <i>LMS Spreadsheet Desk Guide</i>. The list below includes the required fields that must be entered.</p> <ul style="list-style-type: none">• Bank routing number, unless it cannot be located. Enter zeros if unable to locate.• Lead type• Total Amount available for Recovery• Indemnification Letter Date

If	Then
6. Deposits with no x-ref lead number (deposit only)	<p>The designated POC will prepare the deposit following the steps below, and then assign to be worked:</p> <ul style="list-style-type: none"> • Create the lead number using the RIVO received date, service center number, and a sequence number as follows (MMDDYY sc xx)(sc= your service center and xx = sequence number). For example, 020223 09 04 = RIVO received a deposit, February 2, 2023, worked in Kansas City with the assigned sequence number 04. • Create the lead/deposit folder, for deposits with no existing lead number, using the naming convention deposit number, financial institution name (Financial Contact Information Spreadsheet), and lead number (as described above). Save to the designated site folder. <p>Reminder: Any additional e-mails/ attachments received, save to the associated lead folder as a PDF.</p>
7. Non-IRS funds received	<ul style="list-style-type: none"> • Refer to the designated POC who will take the actions below • Prepare a commingle memo • Notify the bank on how the funds can be returned by sending the <i>Return Procedures for Non IRS Refund Checks -IRM 25.25.8.4(3)</i> script.

If	Then
8. Funds returned exceed the amount requested regardless if the determination is valid or invalid	<ul style="list-style-type: none"> • Prepare a commingle memo for only the amount in excess of the requested funds. • Provide bank with indemnification procedures for recovering the excess amount
9. Leads involving an account with more than 6 refund transactions (TC 840 OR 846) Note: The ELT tool only allows a maximum of 6 refunds to be processed.	<p>Manually input the volume that exceed 6 using IDRS CC ELP45. Systemic limitations cap the number of refunds that the ELT tool can process to six.</p> <p>Reminder: TEs must CMODE to Kansas City to prevent transaction failures.</p>
10. A deposit recovered for a lead containing an IMF and BMF accounts	<p>Process all payments pertaining to the IMF accounts on a different day then the BMF payments.</p> <p>Note: Processing them on the same day will cause a balancing error in Accounting.</p>

- (3) Run the ELT with case type **Deposit**. The tool is programmed to take all necessary actions based on the determinations it makes. If an account rejects from the tool because it was unable to make a determination or makes a “valid” determination, manual actions, as described in paragraph 4, steps a-f must be followed to process the deposit.

(4)

- a. Research the account for TC 971 AC 123 with MISC field “TPP RECOVERY.” If present, do not conduct further research, post funds back to the account and suspend to 148XX00013 until TC 720 posts to the account (or commingle if the corresponding refund has already been adjusted).

Reminder: Do not release accounts containing a TC 971 AC 123, even if it appears to be valid. Disposition the corresponding tax return to PS 30/ACE Adjustments once the recovered funds post. Then see IRM 25.25.8.6, Monitoring External Leads.

- b. Research the account for TC 971 AC 078, forgery indicator. If present, do not reissue refund, even if the account appears to be valid.
- c. Review all non-bank leads open controls on IDRS CC TXMOD for the tax period in question and then contact the employee assigned to the open control before taking any actions.

- d. Screen the module and filing as described in IRM 25.25.8.3, **Processing External Leads** and make a Valid or Invalid determination as it relates to the returned funds.
- e. Input a TC 971 AC 134, TC 971 AC 850, and the history item, "DONO-TRFUND", if not already present on all invalid accounts

Reminder: For commingled funds, the only control base the tool will post to this account is **BKLCOMNGLD**

- f. Update the control base on IDRS to, "C0,BKLDCKRECD,A,MISC" (if funds are being posted back to the account) or "C0,BKLCOMNGLD,C,MISC"(if funds are being commingled) and assign to 148XX00004/7,*"(4 invalid, 7 valid).

Note: Review the detail report from the ELT and confirm actions are on the correct TIN, MFT and tax period. If the actions were taken on the incorrect module close the control with **BKLDERROR** and open a control on the appropriate tax period. Manually input/take any actions that did not populate from the tool beginning with the steps in paragraph 4 below. Ensure that a TERUP is input the same day for any transactions entered on an incorrect module. If the transaction needs to be reinput, wait until the next day due to the probability the erroneous deposit may fall out of balance if done the same day.

- (5) Use the table below if the ELT Detail Report shows that the transaction or account errored out and the TE was unable to correct it; the tool's limitations will not allow the posting of the deposit; or the return displays a social media scheme credit. Also see the table for commingling instructions.

Reminder: Leads with multiple accounts may have multiple scenarios. For example, you may have an invalid return, a valid return, and an account with commingled funds on the same lead/deposit. Do not prepare the commingled memo until **all** accounts associated with the lead/deposit have been resolved.

If	And	Then
<p>1. The return was determined to be good/valid</p>	<ul style="list-style-type: none"> Tax year of return is less than 3 years from the current processing 	<ul style="list-style-type: none"> Input CC ELP45 Reminder: You MUST verify the transaction after input (i.e., CMODE to Kansas City, payment amount, receipt date, etc.) See the table in IRM 25.25.8.4(1) if the transaction needs to be deleted using IDRS CC TERUP. Note: Balance the ELP45/ commingled amounts to reflect total of deposit. Reminder: The amount of the transfer may not exceed the TC 846 amount. Update/open control to "Cxx,BKLDCKRECD,A,MISC 148XX00007" Input TC 972 AC 134 to reverse RIVO indicator. Reminder: If no TC 971 AC 134 is posted, do not input a new TC 971 AC 134. Input history item, ValidNo134 on CC TXMOD. Change disposition in STARS to "DL" if applicable Update LMS spreadsheet with results Input a TC 290.00 with a posting delay of 2 to release the refund to the TP Monitor account on AAL per, IRM 25.25.8.6, Monitoring External Leads

If	And	Then
2. The return was determined to be Bad (including IDT)	Account does not contain any of the following: <ul style="list-style-type: none"> • TC 841 or TC 700 corresponding to the referred refund • Unidentified refunds • Excess funds • Commingled accounts 	<ul style="list-style-type: none"> • Input CC ELP45 Caution: You MUST verify the transaction after input (i.e., CMODE to Kansas City, payment amount, receipt date, etc.). See the table in IRM 25.25.8.4(1) if the transaction needs to be deleted using IDRS CC TERUP. Therefore, the TE must confirm payment was CMODE to Kansas City and the transaction data input was correct(i.e. receipt/deposit dates, payment amount, etc.) See the table in IRM 25.25.8.4(1) if the transaction needs to be deleted using IDRS CC TERUP Note: Balance ELP45/commingled amounts to reflect total of deposit. Reminder: The amount of the transfer may not exceed the TC 846 amount. • Update/open control to "Cxx,BKLDCKRECD,A,MISC 148XX00004" • Monitor account on AAL per, IRM 25.25.8.6, Monitoring External Leads • Update LMS account

If	And	Then
3. The return was determined to be Bad (including IDT)	Accounts contain any of the following: <ul style="list-style-type: none"> • TC 841 or TC 700 corresponding to the referred deposit/refund • refunds are unidentified • excess funds • commingled accounts 	<ul style="list-style-type: none"> • Update/close the control to "CXX,BKLCOMNGLD,C,MISC and assign to 148XX00004" • Input TC 971 AC 134 with MISC field "BKLD COMINGLED" <p>Note: If the tax year is in retention, it must first be brought back to Master File using CC IMFOLB.</p> <p>Reminder: This will be updated en masse after the entire lead/ deposit is completed.</p> <ul style="list-style-type: none"> • Update LMS account • Monitor account on AAL per, IRM 25.25.8.6, Monitoring External Leads

If	And	Then
4. the account is dormant , in retention or 3 years or more prior to the current processing year	No identity theft indicators such as TC 971 AC 123 with MISC field TPP Recovery	<ul style="list-style-type: none"> Input CC ELP45 <p>Reminder: TE must verify they CMODE the transaction to Kansas City. See the table in IRM 25.25.8.4(1) if the transaction needs to be deleted using IDRS CC TERUP.</p> <p>Note: Balance the ELP45/ commingled amounts to reflect total of deposit.</p> <p>Reminder: The amount of the transfer may not exceed the TC 846 amount.</p> <ul style="list-style-type: none"> Update/open control to "Cxx,BKLDCKRECD,A,MISC 148XX00007" if return is good or 148XX00004 if bad. Input TC 972 AC 134 to reverse RIVO indicator if valid/good. <p>Reminder: If no TC 971 AC 134 is posted, do not input a new TC 971 AC 134. Input history item, ValidNo134 on CC TXMOD.</p> <ul style="list-style-type: none"> Change disposition in STARS to "DL" if applicable Update LMS account Input a TC 290.00 with a posting delay of 2 to release the refund if the return is valid. Monitor account on AAL per, IRM 25.25.8.6, Monitoring External Leads
5. Current year Form 1040 was filed claiming the Fuel Tax Credit (FTC) or Credits for Sick Leave for Certain Self-Employed Individuals and the account contains a -E Freeze and TC 810 with a Responsibility Code 4	does not contain any of the following: <ul style="list-style-type: none"> TC 841 or TC 700 corresponding to the referred deposit/refund refunds are unidentified excess funds commingled accounts 	<ul style="list-style-type: none"> Follow procedures in row 2, and then continue with the succeeding bullets below Disposition the return to process status 77 Monitor AAL for FRP acceptance or rejection (See IRM 25.25.8.4.2, Monitoring Posted Payments Processed for follow up actions)

If	And	Then
6. Prior year Form 1040 was filed claiming the Fuel Tax Credit (FTC) or Credits for Sick Leave for Certain Self-Employed Individuals and the account contains a TC 810 Responsibility Code 4	does not contain TC 841 with document code 48 in the DLN or TC 700 with document code 58 in the DLN	<ul style="list-style-type: none"> Follow procedures in row 2 Update IDRS control to C00, MR_SCHEME1,A,FRP3 1486900001 Monitor AAL for FRP acceptance or rejection (See IRM 25.25.8.4.2, Monitoring Posted Payments Processed for follow up actions)
7. TIN provided by the financial institution cannot be found Note: Attempt to find a valid TIN. If valid TIN is found, follow scenario in this if/then table. Exception: If multiple accounts on a deposit are not from an IRS refund notify your lead before proceeding	Unable to allocate funds received	<ul style="list-style-type: none"> Follow procedures in row 3 above
8. the TIN is valid, but cannot find the tax period Note: Attempt to find the correct tax period. If the correct tax period is found, follow scenario in this if/then table. Exception: If multiple accounts on a deposit are not from an IRS refund notify your lead before proceeding	Unable to allocate funds received	Open your control on the most recent tax year to Cxx,BKLCOMNGLD,C,MISC 148XX00004 , and follow procedures in row3 above
9. the return is considered good/bad	the TIN is an Internal Revenue Service Number (IRSN), see IRM 3.21.263.5.5, Internal Revenue Service Number (IRSN), for more IRSN information and the module contains a TC 848 or TC 849	Follow procedures in row 3 above

If	And	Then
<p>10. Deposit recovered is from an EIP 1, 2 or 3 and regardless of the eligibility determination(i.e., IDT, Non-IDT, Decedent)</p>		<p>Check IDRS to determine if the Recovery Rebate Credit (RRC) was claimed for the tax period associated with the funds recovered.</p> <p>RRC was claimed</p> <ul style="list-style-type: none"> • Commingle the recovered funds • Close all controls <p>RRC was not claimed</p> <ul style="list-style-type: none"> • Input CC ELP45 to post the funds • Close all controls <p>Caution: Once the payment posts to the account (i.e. TC 720, 841)DO Not take any additional actions to adjust the account, including releasing the credit. Programming has been implemented to reconcile the posted credit. The taxpayer, if eligible will need to claim the Recovery Rebate Credit on their tax return to recover the funds.</p>
<p>11. The deposit is recovered, but the bank did not allocate how funds should be applied.</p>	<p>Lead includes multiple accounts and different TINs</p>	<ul style="list-style-type: none"> • Update/close the control to CXX,BKLCOMNGLD,C,MISC 148XX00004 • Input TC 971 AC 134 with MISC field BKLD COMINGLED • Send return for treatment as discussed below in Paragraph 6. • Update LMS account <p>Note: If the tax year is in retention, it must first be brought back to Master File using CC IMFOLB.</p> <p>Reminder: This will be updated en masse after the entire lead/ deposit is completed.</p>

If	And	Then
12. The deposit is recovered, but the bank did not allocate how funds should be applied.	Lead submission spread-sheet list one TIN and multiple tax periods	Use IDRS CC ELP45 to apply the deposit starting with the earliest tax period to the most current one. Note: In the event of more than one tax period having the same ending date, apply in ascending MFT order (e.g., MFT 01, then 02, then 10, etc.) and then through to the most current tax period. Reminder: See scenarios above for specific actions required after posting funds.

- (6) Bad or invalid IMF accounts requiring referral to a treatment stream see IRM references IRM 25.25.8.6, Monitoring External Leads for Social Media Promoted Schemes and others.
- (7) The table below provides instructions for processing BMF return deposits. Once an entire deposit has been completed, the assigned TE will notify their designated POC, who will ensure that the deposit record, associated leads and accounts, and commingled memo (if applicable), are ready for closure.

Note: If instructed to input **IDRS CC ELP45** and the transaction errors out, this is an indicator the programming for this CC did not include the MFT associated with the payment. You will need to forward the request to the *Recon Team* to prepare a Form 3245 and complete the remaining actions.

BMF Deposits Procedures

IF	AND	THEN
1. The lead source is from CI, SBSE, or TIGTA		<p>1. Use IDRS CC ELP45 to post the payment</p> <p>Note: Some MFT codes are not programmed for ELP45 use and therefore those payments will require manual input via form 3245. The assigned TE will send the request to the Recon Team</p> <p>2. Update the IDRS control base to Cxx,BKLDCKRECD,A,MISC 148XX00004</p> <p>Note: If a paper voucher was required to post the payment, update IDRS control base to BKL3245BMF 148XX00004</p> <p>3. Update the corresponding Account, Lead, and Deposit records in Bank LMS</p> <p>4. Send an e-mail to BMF Referral mailbox and CC to the Lead Source to notify them the funds were recovered</p> <p>Include the following:</p> <ul style="list-style-type: none"> • Subject line, External Lead BMF Referral Lead Closed. • E-mail body, the Lead number, EIN, MFT, tax year, and state the TC 720 is pending, along with the amount returned. • Input TC 570 on IDRS and History item DONOTRFUND • Close all bank lead controls once the TC 720 posts to the account
2. Either BMF Entity Fabrication and/or BMF IDT confirms fraud		Follow instructions in row 1, with the exception of CCing the lead sources mentioned, as it would not be applicable for this scenario.

IF	AND	THEN
1. The lead source is from CI, SBSE, or TIGTA		<ol style="list-style-type: none"> 1. Use IDRS CC ELP45 to post the payment Note: Some MFT codes are not programmed for ELP45 use and therefore those payments will require manual input via form 3245. The assigned TE will send the request to the Recon Team 2. Update the IDRS control base to Cxx,BKLDCKRECD,A,MISC 148XX00004 Note: If a paper voucher was required to post the payment, update IDRS control base to BKL3245BMF 148XX00004 3. Update the corresponding Account, Lead, and Deposit records in Bank LMS 4. Send an e-mail to BMF Referral mailbox and CC to the Lead Source to notify them the funds were recovered <p>Include the following:</p> <ul style="list-style-type: none"> • Subject line, External Lead BMF Referral Lead Closed. • E-mail body, the Lead number, EIN, MFT, tax year, and state the TC 720 is pending, along with the amount returned. • Input TC 570 on IDRS and History item DONOTRFUND • Close all bank lead controls once the TC 720 posts to the account
3. Both BMF Entity Fabrication and BMF IDT response is, “No”	no other fraud was identified, or fraud was identified, but with no identified referral treatment stream available	<ul style="list-style-type: none"> • Input CC ELP45 Reminder: You must verify transaction was CMODEd to Kansas City. See the table in IRM 25.25.8.4(1) if the transaction needs to be deleted using IDRS CC TERUP. • Update the corresponding account, Lead, and Deposit records in LMS • Update the IDRS control base to Cxx,BKLDCKRECD,A,MISC 148XX00007 • Input a TC 290.00 on a 2 cycle delay to release the refund • Update the IDRS control base to Cxx,BKLDCKRECD,A,MISC 148XX00007 • Close all bank Lead controls on IDRS

IF	AND	THEN
1. The lead source is from CI, SBSE, or TIGTA		<ol style="list-style-type: none"> Use IDRS CC ELP45 to post the payment Note: Some MFT codes are not programmed for ELP45 use and therefore those payments will require manual input via form 3245. The assigned TE will send the request to the Recon Team Update the IDRS control base to Cxx,BKLDCKRECD,A,MISC 148XX00004 Note: If a paper voucher was required to post the payment, update IDRS control base to BKL3245BMF 148XX00004 Update the corresponding Account, Lead, and Deposit records in Bank LMS Send an e-mail to BMF Referral mailbox and CC to the Lead Source to notify them the funds were recovered <p>Include the following:</p> <ul style="list-style-type: none"> Subject line, External Lead BMF Referral Lead Closed. E-mail body, the Lead number, EIN, MFT, tax year, and state the TC 720 is pending, along with the amount returned. Input TC 570 on IDRS and History item DONOTRFUND Close all bank lead controls once the TC 720 posts to the account
4. BMF Entity Fabrication and BMF IDT response is either “No” or “Yes”	<p>Any of the conditions apply:</p> <ul style="list-style-type: none"> Bank did not allocate how funds should be applied The information provided was insufficient to make the determination Follow-up attempts with the bank did not yield additional information) 	<ul style="list-style-type: none"> Prepare a commingled funds memo Update the corresponding account, Lead, and Deposit records in LMS Update the IDRS control base to CXX,BKLCOMNGLD,C,MISC 148XX00004(Bad) or 148XX00007(Valid/Good) depending on determination Input TC 971 AC 134 with MISC field “BKLD COMINGLED” Reminder: This will be updated en masse after the entire lead/ deposit is completed. Close all bank lead controls IDRS

25.25.8.4.1
(08-27-2025)

**Reversal/Return of
Recovered Funds**

- (1) Designated staff may encounter a scenario where account actions are required after funds have been recovered from a financial institution and deposit processing has concluded. After researching the applicable lead and deposit, follow the table below as appropriate.

If	And	Then
1 Recovered funds were submitted in error or the return of funds was requested by the financial institution	Funds were commingled and applied to the 4971 General ledger account or the 6801 (Excess) account Note: Commingled funds are moved from the 4971 general ledger account to the 6801 (Excess) account two years after the date of deposit.	<ul style="list-style-type: none"> Save documentation from the financial institution requesting the return of the recovered funds to the lead folder as a PDF Documentation from the financial institution must include: <ul style="list-style-type: none"> financial institution's EIN payee's name and address for the check financial institution's POC, email address, and telephone number lead number amount requested all associated TINs with full names of the taxpayers reason for the return of funds request <p>Reminder: Contact the financial institution when required information is missing.</p>
2 Recovered funds submitted in error or the return of funds was requested by financial institution	funds were applied to an IMF or BMF account	<ul style="list-style-type: none"> Prepare Form 3809, Miscellaneous Adjustment Voucher, to debit the taxpayer's individual account and credit the 4971, General Ledger account following the instructions located on the RIVO Portal page <i>Reversal of External Leads Funds Form 3809</i> After the TC 722 posts to the account, follow the instructions located on the RIVO Portal page, <i>Manual Refund Procedures</i>

If	And	Then
<p>3 An inquiry/referral received after deposit resolution</p>	<p>a valid return and commingled funds applied to the 4971 General ledger account or funds were applied to the 6801 (Excess) account Note: Funds are applied to the 6801 (Excess) account two years after the date of deposit.</p>	<ul style="list-style-type: none"> Input CC ELP45 Caution: You must CMODE to the deposit location to use this CC. This is based on the credit gateway information. Exception: If funds are being moved to an EIN, prepare, print, and save in lead/deposit folder the Form 3245, Posting Voucher - Refund Cancellation or Repayment, to credit the taxpayer's individual account and debit the appropriate General Ledger account. Revise the commingled memo to reduce the commingled amount by the amount being placed on the taxpayer's account and save to the lead folder Open IDRS control "C0,PND720,M,MISC" "148XX00007,*" Note: This is only required when moving funds to an EIN. If the return is in STARS, update the disposition to "DL" for STARS removal

If	And	Then
4 An inquiry/referral received after deposit resolution	A valid return and commingled funds are applied to the 4971 General ledger account or to the 6801 (Excess) account and there is not enough available to cover the TC 846 amount. Note: Funds are applied to the 6801 (Excess) account two years after the date of deposit.	<ul style="list-style-type: none"> Input CC ELP45 Note: Credit the taxpayer's individual account up to the available amount and debit the appropriate General Ledger account. Caution: You must CMODE to the deposit location to use this CC. Exception: If funds are being moved to an EIN, prepare, print, and save in lead/deposit folder the Form 3245, Posting Voucher - Refund Cancellation or Repayment, to credit the taxpayer's individual account and debit the appropriate General Ledger account. Only credit the taxpayer's account to the extent of available funds and then debit the appropriate General Ledger Account. Revise the commingled memo to reduce the commingled amount by the amount being placed on the taxpayer's account and save to the lead folder Open IDRS control "C0,PND720,M,MISC" "148XX00007,*" Note: This is only required when moving funds to an EIN If the return is in STARS, update the disposition to "DL" for STARS removal
5 An inquiry/referral received after deposit resolution	A valid return and funds applied to the taxpayer's account	<ul style="list-style-type: none"> Release the refund Remove from STARS, by updating the disposition to "DL" Enter a reason in STARS when requesting for a return's deletion from STARS Close all RIVO controls

25.25.8.4.2
 (08-27-2025)
**Monitoring Posted
 Payments Processed**

- (1) Programming changes implemented in 2021 associated with Economic Impact Payments had a downstream impact on External Lead payments posted to an account as a TC 720. The impact caused these payments to go unpostable. Effective cycle 202326, programming was implemented to correct this issue. However, for those unpostables that occurred prior to this cycle, Tax Examiners (TEs) will continue to follow the workaround procedures as outlined in, steps c-f below.

Note: This workaround involves coordination between multiple departments to correct the unpostable, and therefore it may take several weeks for the payment to post.

TEs must monitor payments in general to make sure they post. The alpha list instructions in (3) below provide steps for monitoring to confirm a payment posted. It is imperative that Tax Examiners check within two weeks to confirm the payment posted after the ELT or manual CC ELP45 processed it. If the payment went unpostable 138 RC 0, then the TE will need to follow the guidance below in (3), steps, c-g.

Follow the steps below for monitoring payments:

- a. Valid and Invalid determinations, check the IDRS Automated Age Listing to confirm the payment posted.
 - b. If P- Freeze or credit is posted to the account, this confirms the payment did not go unpostable and therefore the TE should follow the procedures outlined in IRM 25.25.8.6, Monitoring External Leads to resolve the account.
 - c. If **no** P- Freeze or credit is posted to the account, but an unpostable code 138 0 posted, open a control base to 148XX00015 with activity code UNPOST720
 - d. Complete the Unpostable TC 720 spreadsheet located on the RIVO Portal page with the accounts that were unpostable.
 - e. Forward the spreadsheet to the assigned Tax Examiner to address the unpostables.
 - f. Once the unpostable has been corrected, and the returned payment has posted, close the control base, and take the appropriate actions to resolve the account (i.e., release refund, refer to the appropriate treatment stream, etc.)
- (2) Returns claiming any of the Social Media Promoted Schemes (including but not limited to the Fuel Tax, Education, Claim of Right, COVID/CARES Act, or Sick Pay/Leave Credits) must be referred to the Frivolous Return Program (FRP) for review. Tax Examiners should follow the table located at **IRM 25.25.8.6(4)** for cases meeting this criterion.

25.25.8.5
(08-27-2025)
**External Lead
Procedures for
Automated Clearing
House (ACH) Deposits**

(1) **Financial Institution Automated Clearing House (ACH)**

- a. Screen the return as outlined in IRM 25.25.8.3 Processing External Leads. If valid, "REFILE" and release the refund.
- b. If questionable/suspicious, input a CC NOREFP (before return posts or same day) and send the return for verification or verify using CC IRPTR,
- c. Open IDRS control base to "C0,BKLDACHREV,A,MISC 148XX00005,* ",if not already present on the module.
- d. Close the "PRFZ" control base.
- e. Input a TC 971 AC 134 on CC TXMOD to show RIVO activity.
- f. If the return is not valid, add a history item to CC TXMOD, "DONOTR-FUND".

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- (2) After 14 days from the ACH Deposit, see the Table below for case actions:

Credit Posted	Credit Not Posted
Valid account – Update control to 148XX00007,C and delete from STARS if applicable and reverse 971-134 if applicable.	Valid account – Update control to 148XX00007,C and delete from STARS if applicable and reverse 971-134 if applicable.
Invalid account - Update control to 148XX00004, C and refer case for treatment as discussed in IRM 25.25.8.6(4) a-b, Monitoring External Leads.	Invalid account - Update control to 148XX00004, C and refer case for treatment as discussed in IRM 25.25.8.6(4) a-b, Monitoring External Leads.
Update and Close Lead Management System account/lead records as appropriate.	Update and Close Lead Management System account/lead records as appropriate.

25.25.8.6
(08-27-2025)
Monitoring External Leads

- (1) Each week, the designated local Point of Contact (POC) will utilize SQL Reporting Services and SNAP to merge the Bank LMS account listings, and the Bank Leads Integrated Data Retrieval System (IDRS) Automated Age Listing (AAL). The resulting file/Age List will then be distributed to the Operation via e-mail.
- (2) The Workleader and manager in each team (or another locally designated POC) will then disseminate the Age List for their team to the assigned Tax Examiners for follow-up actions (described in the table in 3 and 4 below). Resolve Age Listing in Lead Received Date order.

Reminder: The Assigned Tax Examiner is responsible for taking all actions related to each account, including monitoring for and resolving processing issues, ensuring the correct posting of returned funds (as appropriate), and the dispositioning/referral as needed on “invalid” returns.

- (3) Use the If/And/Then Table below for monitoring and resolving the assigned accounts on your Age List.

If	And	Then
1 148XX00001	is 10 calendar days or older	<ul style="list-style-type: none"> Review the account for actions not taken Update/close/monitor the control base as appropriate Update LMS account/lead/deposit records as appropriate Treat account as appropriate (see paragraph 4 below)

If	And	Then
2 148XX00002	the bank responds, no funds will be returned or available to be returned	<ul style="list-style-type: none"> • Update/close the control to “NOFND-SAVLB,C” • Update LMS account/lead/deposit records as appropriate • Treat account as appropriate (see paragraph 4 below)
3 148XX00002	<p>it's been more than 45 days since the indemnification letter was issued and the following:</p> <ul style="list-style-type: none"> • No deposit received • No response regarding the deposit • No 45 day follow up Letter issued 	<ul style="list-style-type: none"> • Issue the 45-Day Letter to the bank POC, saving a copy as a PDF in the Lead folder • Record the date that the 45-Day Letter was sent in Bank LMS • Monitor for response (see the scenarios to address responses and non-responses from bank POCs <p>a. Bank responds that payment was returned - If not provided in the response, contact the bank to secure the date payment was returned, tracking information if sent overnight/express, and the dollar amount returned.</p> <p>If the payment cannot be located via IDRS, employees with access to the Remittance Transaction Research (RTR) database must research it as well as the Deposit SharePoint before closing as No Funds Returned. If payment cannot be located, consult first with the team Lead before taking case actions to close the lead as No Funds Returned.</p> <p>b. Bank responds that no funds will be returned - the lead and related accounts will be closed as No Funds Returned on IDRS and LMS. Close all bank leads control bases and reverse 971-134.</p> <p>c. No response from bank after 15 days – Perform the research described under a. above. If deposit is located, process as per IRM 25.25.8.4, Processing External Lead Deposits. If no deposit located, the lead and related accounts will be closed as “No Funds Returned” on IDRS and LMS. Close all bank leads control bases and reverse 971-134.</p> <p>d. If a deposit is received, it will be processed and worked following IRM 25.25.8.4, Processing External Lead Deposits.</p>

If	And	Then
4 148XX00002	is 60 calendar days or older	<p>Review account to determine if TC 720 is present</p> <p>If present:</p> <ul style="list-style-type: none"> Determine if return is good, bad, or IDT Then follow the appropriate scenario in a or b below <p>If not present, but bank states the payment was returned:</p> <ul style="list-style-type: none"> Research via IDRS CC TXMODA, a sample of the TINs from the lead to verify if the payment posted matches the amount specified on the Lead Submission spreadsheet If payment is found, check the Remittance Transaction Research (RTR) application to assist with locating the payment and for reconciling the account If the payment cannot be located, close the control base to status C with activity NOFNDSTRND Follow the instructions in a or b below as appropriate <p>a. Good:</p> <ul style="list-style-type: none"> Release refund Update disposition to "DL" to remove from STARS if appropriate. Enter a reason in the return's STARS or EFDS notes when requesting its deletion from STARS Close the control base Update LMS account/lead/deposit records as appropriate <p>b. Bad or IDT:</p> <ul style="list-style-type: none"> Close the control base Update LMS account/lead/deposit records as appropriate Treat account as appropriate (see Para. 4 below)
5 148XX00003	is 60 calendar days or older	Follow IRM 25.25.8.11, Centralized Check Process (CCP)
6 148XX00004	there is a credit balance and TC 720 is present	<ul style="list-style-type: none"> Close the control as Cxx,720POSTED,C,MISC Update LMS account/lead/deposit records as appropriate Treat account as appropriate (see Para. 4 below)

If	And	Then
7 148XX00004	no TC 720 present, and it is 10 or more calendar days from the CC ELP45 was input date	<ul style="list-style-type: none"> Research the account to determine why the TC 720 have not posted Take appropriate actions to resolve Update/close/monitor the control as applicable Update LMS account/lead/deposit records as appropriate Treat account as appropriate (see Para. 4 below)
8 control number is 148XX00005	there is a TC 841 present for 10 days or more	<ul style="list-style-type: none"> Close the control base as 841POSTED Update LMS account/lead/deposit records as appropriate and then follow appropriate scenario below: Valid/Good return <ul style="list-style-type: none"> Release refund Update disposition to "DL" to remove from STARS Enter a reason in the return's STARS or EFDS Notes when requesting its deletion from STARS Bad or IDT return: Treat account as appropriate (see Para. 4 below)
9 148XX00005	no credit balance and it's been 60 calendar days or more	<ul style="list-style-type: none"> Close the control base as Cxx,RFND-NOTHLD,C,MISC Update LMS account/lead/deposit records as appropriate Treat account as appropriate (see Para. 4 below)
10 148XX00007	there is a credit balance, and a TC 720 is present	<ul style="list-style-type: none"> Re-file the return and release the refund Update disposition to "DL" to remove from STARS Enter in the return's STARS or EFDS notes when requesting its deletion from STARS <p>Exception: Do Not Release refunds held by another function's freeze code. When this occurs reverse RIVO marker by inputting TC 972 AC 134.</p> <ul style="list-style-type: none"> Close the control base Update LMS account/lead/deposit records as appropriate

If	And	Then
11 148XX00007	there is a credit balance, but no TC 720 is present and its been 10 calendar days or more calendar days from the CC ELP45 input date	<ul style="list-style-type: none"> Research the account to determine why TC 720 has not posted Take appropriate actions to resolve Update/close/monitor the control as appropriate Refile return, release refund, and delete from STARS as appropriate after the TC 720 posts
12 148XX00009	is 10 calendar days or older	<p>Determine if the return is in STARS</p> <p>If in STARS:</p> <ul style="list-style-type: none"> Update disposition to CC or CL Close the monitoring control Update LMS account/lead/deposit records as appropriate <p>If not in STARS:</p> <ul style="list-style-type: none"> Research to determine why the return is not in STARS, push to scheme as appropriate and update category/disposition Update/close the control base Update LMS account/lead/deposit records as appropriate
13 148XX00011	the TC 722 is present	<ul style="list-style-type: none"> Follow IRM 25.25.8.4.1, box 2 after TC 722 posts, Reversal/Return of Recovered Funds Update LMS account/lead/deposit records as appropriate
14 control number is 148XX00011	no TC 722 or TC 820 is present and it's 60 calendar days or more from the date the accounting form was prepared	<ul style="list-style-type: none"> Research the account to determine why TC 722 or TC 820 did not post Take appropriate actions to resolve Update/close/monitor the control as applicable Update LMS account/lead/deposit records as appropriate
15 148XX00013 Note: This is an account that contains a TC 971 AC 123 MISC "TPP Recovery"	a posted TC 720	<ul style="list-style-type: none"> Disposition the return to Ace Adjustments (PS 30) Input an EFDS return note of "RIVO EL IDT BKLD" Close all RIVO controls Update LMS account/lead/deposit records as appropriate
16 148XX00013 Note: This is an account that contains a TC 971 AC 123 MISC "TPP Recovery"	no TC 720 posted, and it's 10 calendar days or more from the CC ELP45 date	<ul style="list-style-type: none"> Research the account to determine why TC 720 did not post Take appropriate actions to resolve Update/close/monitor the control as applicable Update LMS account/lead/deposit records as appropriate

If	And	Then
17 148XX00014	the TC 841 is posted	<ul style="list-style-type: none"> Disposition the return to Ace/ Adjustments (PS 30) Input an EFDS return note of "RIVO EL IDT BKLD" Close all bank lead controls Update LMS account/lead/deposit records as appropriate
18 148XX00014	no TC 841 posted, and it is 60 calendar days or more from the F stop Treasury Check cancellation request) request date	<ul style="list-style-type: none"> Research the account to determine why the TC 841 did not post Take appropriate actions to resolve Update/close/monitor the control as applicable Update LMS account/lead/deposit records as appropriate
19 148XX00017	a posted TC 841	<ul style="list-style-type: none"> Reissue check to the good taxpayer If account is in STARS, remove from STARS, by updating disposition to "DL" Enter a reason in the return's STARS or EFDS Notes when requesting its deletion from STARS Close all bank lead controls Update LMS account/lead/deposit records as appropriate
20 148XX00017	no TC 841 posted, and it is 60 calendar days or more from the F stop date requested	<ul style="list-style-type: none"> Research the account to determine why TC 841 did not post Take appropriate actions to resolve Update/close/monitor the control as applicable Update LMS account/lead/deposit records as appropriate

- (4) Following the closure of each invalid account in the LMS and on IDRS as described in Paragraph 3 above, follow the steps in **a. or b.** below to ensure the account is sent for treatment.

a. Non-IDT invalid accounts needing referral to a RIVO treatment stream, follow the table below

Treatment Stream	Processing Year	Actions
WOW, AQC, Exam	Prior Processing Year (PY) Current Processing Year (CY)	PY - Mass Push return to Scheme and then manually refer as per IRM 25.25.13.5, Manual Referrals. CY - Disposition to Scheme in EFDS if not already done.

Treatment Stream	Processing Year	Actions
Frivolous Return Program	Prior Processing Year	<ul style="list-style-type: none"> Open a control base as follows C00, MR_SCHEME, A, FRP3, 1486900001 Open a second control base to the assigned Tax Examiner as follows C00, FRP-REFER, B, MISC <p>The Tax Examiner will monitor the case on their weekly IDRS AAL until the control to FRP (1486900001) is updated with one of the following:</p> <p>FRPCLEARED – The return did not meet FRP criteria. Close the two control bases opened and continue with normal RIVO processing.</p> <p>MRINPUT – The return was accepted by FRP. Close the FRP-REFER control base</p>

b. IDT accounts follow below:

Current Processing Year	Prior Processing Year
<ul style="list-style-type: none"> Push to Scheme and then update the Category and Disposition as appropriate as per IRM 25.25.4.3, Identity Theft Return Categories and IRM 25.25.13-3, Scheme Tracking and Referral System (STARS) Disposition Definitions See also IRM 25.25.8.6.1 IRM 25.25.8.6.1, Criteria for Updating STARS Categories and Dispositions 	<ul style="list-style-type: none"> Mass Push to Scheme as per IRM 25.25.13.5, Manual Referrals, and then update the Category and Disposition as appropriate as per IRM 25.25.4.3, Identity Theft Return Categories and IRM 25.25.13-3, Scheme Tracking and Referral System (STARS) Disposition Definitions See also IRM 25.25.8.6.1, Criteria for Updating STARS Categories and Dispositions

Note: If completed en masse, update to "CAT 1". If completed individually, update to "CAT 7 MR". If multiple TC 846 or the posting of the TC 720 occurs after the account adjustment, refer to IRM 25.25.5-1, Triage Procedures if the account requires adjustment

25.25.8.6.1
(04-02-2021)

**Criteria for Updating
STARS Categories and
Dispositions**

- (1) Use the table below to update STARS categories and dispositions.

If	Then
-A freeze is present and/or AM IDRS control base on the account such as: DUPF, IDT1, IDT3, XRET, XIVO, MXEN, IDS1, IDS3, IDT8, IDT9, IDS9, SCRM and SSA2	Update STARS to "CAT 5 CL".
Return meets IDT criteria: <ul style="list-style-type: none"> previous IDT marker (TC 971 AC 5XX) date of death present (DOD) date of birth (DOB) 1940 and prior or 2001 and after 	<ul style="list-style-type: none"> If completed en masse, update to "CAT 1" If completed individually, refer to IRM 25.25.5-1, Triage Procedures

- (2) See the table in IRM 25.25.13-3, Scheme Tracking and Referral System (STARS) Disposition Definitions, for a description of the STARS disposition status codes and IRM 25.25.13-4, Scheme Tracking and Referral System (STARS) Category Definitions for each category definition.

25.25.8.7

(08-27-2025)

**Responding to Taxpayer
Inquiries**

- (1) Use the table below to respond to phone inquiries regarding a tax refund if there are indicators of External Lead involvement or the taxpayer mentions the program. See Exhibit 25.25.8-2, External Lead Involvement Indicators to assist in identifying External Lead involvement. Leads can involve both IMF and BMF accounts. If considering releasing a refund, the TE assigned to the account must be contacted before any action is taken. See *External Lead Point of Contact* to assist with locating one if the assigned TE cannot be found.

Reminder: If a follow up inquiry is received because the taxpayer did not receive a response by the date given, review the account to confirm the due date according to the table and notes on the account past. Also check to see if there are any new updates to the account. If yes, then use the table below to provide the taxpayer with an updated time frame for resolving their case. If no new updates, follow your IRM procedures for taxpayers that did not receive a response by a promised date.

Refund Inquiry Response

If	And	Then
1 The account contains an open control to RIVO	The control base activity field contains the following: <ul style="list-style-type: none"> • “BKLD” • “REQFUNDS” AND the control base assignment number contains the prefix 148XXs	<ul style="list-style-type: none"> • Update the Accounts Management System (AMS) notes with the following: name and contact information of the caller, name of the financial institution, and date of contact. • Advise the caller that the return and refund are under review, and it may take up to 90 days from the date of the control base to complete the review and either issue the refund or send a letter regarding the review. • If the account shows no action taken in the last 90 days, prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - RICS RIVO - External Lead. Advise the taxpayer to allow 60 days for a response.

If	And	Then
<p>2 The account contains an open control to RIVO</p>	<p>The control base activity field is one of the following:</p> <ul style="list-style-type: none"> • “BKLDCKRECD” • “BKLDACHREV” <p>AND the control base assignment number is one of the following:</p> <ul style="list-style-type: none"> • 148XX00004 • 148XX00005 	<ul style="list-style-type: none"> • Update AMS Notes with the following: name and contact information of the caller, name of the financial institution, and date of contact. • Advise the caller that the return and refund are under review, and it may take up to 10 weeks from the last RIVO control date to complete the review and either issue the refund or send a letter regarding the review. • If the account shows no action in the last 10 weeks, prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - “RICS RIVO - External Lead”. Advise the taxpayer to allow 60 days for a response. <p>Exception: Identity Theft Victim Assistance (IDTVA) Employees may make IDRS adjustments as needed after contacting the <i>External Leads POC</i> to verify if the financial institution returned the funds.</p> <p>Exception: Do not initiate contact on “BKLCOMNGLD”, close the control base.</p>

If	And	Then
<p>3 The account contains an open control to RIVO</p>	<p>The control base activity field is one of the following:</p> <ul style="list-style-type: none"> • “BKLDCKRECD” • “BKLDACHREV” <p>AND the module shows control base assignment number is one of the following:</p> <ul style="list-style-type: none"> • 148XX00004 • 148XX00005 <p>AND the module shows a posted TC 720 or TC 841</p>	<ul style="list-style-type: none"> • Update AMS Notes with the following: name and contact information of the caller, name of the financial institution, and date of contact. • Advise the caller that the return and refund are under review, and it may take up to 10 weeks from the last RIVO control date to complete the review and either issue the refund or send a letter regarding the review. • If the account shows no action taken in the last 10 weeks, prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - RICS RIVO - External Lead. Advise the taxpayer to allow 60 days for a response. <p>Exception: ID Theft Employees may make IDRS adjustments as needed.</p>

If	And	Then
<p>4</p> <p>The account contains an open control to RIVO</p>	<p>The control base activity field contains the following:</p> <ul style="list-style-type: none"> • “VALID150” <p>AND the control base assignment number is the following:</p> <ul style="list-style-type: none"> • 148XX00007 	<ul style="list-style-type: none"> • Update AMS Notes with the following: name and contact information of the caller, name of the financial institution, and date of contact. • If the TC 720/TC 841 is not posted, advise the caller that the review of the return and refund is complete and to allow 10 weeks from the date of the call for the refund to be reissued. • If a TC 720 or 841 has posted, advise the caller that the review of the return is complete and to allow 6 weeks from the transaction cycle date for the refund to be issued. • If more than 10 weeks passed and the refund has not been issued since the initial call, prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - “RICS RIVO - External Lead”. Advise the taxpayer to allow 60 days for a response.
<p>5</p> <p>The account contains a closed RIVO control base</p>	<p>The control base activity field is “BKLCOMNGLD”, and the control base assignment number is 148XX00004 or 148XX00007</p>	<ul style="list-style-type: none"> • Update AMS Notes with the following: name and contact information of the caller, name of the financial institution, and date of contact. • Advise the caller that the return and refund are under review. • Prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - “RICS RIVO - External Lead”. Advise the taxpayer to allow 60 days for a response.

If	And	Then
6 Research of the taxpayer's account has RIVO markers posted <i>Example:</i> TC 971 AC 134, control base assignment number 148XXXXXXX, etc.	The control base activity field is "NOFNDSAVLB" or "NOFNDSRTND" and the control base assignment number is 148XX00004	<ul style="list-style-type: none"> Funds were not recovered and so, AM refund inquiry procedures must be followed to address the inquiry.
7 The only control base assignment number is 148XX00001	It's been more than 10 days from the date of the control with no subsequent actions	<ul style="list-style-type: none"> Prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - RICS RIVO - External Lead Advise the taxpayer to allow 60 days for a response.
8 The account contains a closed RIVO control base	The closed control base activity field is "841LOST" or "ACHLOST" and the control base assignment number was 148XX00005, and there are no credits held on the account	<ul style="list-style-type: none"> The financial institution returned the funds as a direct deposit reversal; however, the refund was released as a paper check. Follow normal refund inquiry procedures per IRM 21.4.2, Refund Trace and Limited Payability.
9 The account contains an IDRS history item such as "BKLD DO NOT RELEASE" or "BKLD DO NOT REFUND"	The account has a TC 720 or TC 841 credit with a TC 971 AC 134 or a TC 971 AC 199 RIVO freeze code	Refer to the last closed RIVO control base and follow the applicable scenario above in this table to instructions above from this table to respond to the inquiry.

If	And	Then
<p>10 The taxpayer's financial institution advises them their refund was returned to the IRS via the External Lead program and/or provides a lead number</p> <p>Note: Do Not refer the taxpayer back to their bank if this condition applies.</p>	No open or closed RIVO control nor an indication of RIVO activity	<ol style="list-style-type: none"> 1. Check AMS notes for any previous inquiries and the date of them 2. Update AMS notes with the following: <ul style="list-style-type: none"> • name and contact information of the caller • lead number if available • name of the financial institution • date their bank advised funds were returned. <p>Note: The employee will need to probe the taxpayer to secure the date their bank stated the funds were returned to the IRS. This will determine the response to provide (Select either bullet 3 or 4 for response)</p> 3. If less than 90 days from the date the bank advised funds were returned, provide the caller with a 90 day time frame for an IRS response. <p>Note: If bank advised the caller their refund was returned on June 2, 2024, they should be advised to call back after September 1, 2024 if no response is received.</p> 4. If more than 90 days, from the date the bank advised the funds were returned, prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - RICS RIVO - External Lead. Advise the taxpayer to allow 60 days for a response.

If	And	Then
11 The taxpayer states the financial institution advised them funds were returned to the IRS, and provides the date it was done Note: Do Not refer the taxpayer back to their bank if this condition applies.	No open or closed RIVO control or indications of RIVO activity and it's been more than 7 days	Prepare a Form e-4442, Inquiry Referral, and forward to RIVO using category - RICS RIVO - External Lead . Advise the taxpayer to allow 60 days for a response.

- (2) When a tax return preparer contacts the IRS about refunds deposited into their account, whom their bank advised was returned to the IRS, use the table below to respond.

If	And	Then
The caller claims to be a tax return preparer who directed tax refunds into their account	Caller was advised by their bank; the funds were returned to the IRS	<ol style="list-style-type: none"> 1. Submit the following information via e-mail to the *RPO Referrals mailbox. Subject line of: "Attempt to Direct Deposit Client Refund to Return Preparer Bank Account". 2. Include a brief explanation of why the preparer called and the bullet items below: Example: Return preparer called because the bank sent the refund back to IRS instead of depositing the refund into the preparer's bank account. <ul style="list-style-type: none"> • Preparer name • Preparer SSN number • Preparer PTIN • Preparer Firm EIN number (if available) • Preparer phone number • Bank routing number and account number 3. Inform the caller that taxpayers must direct deposit tax refunds to accounts in their name. This may explain why the bank returned the funds to the IRS. No exception to these rules exists for a tax return preparer. Note: The instructions for both Form 1040, U.S. Individual Income Tax Return, and Form 8888, Allocation of Refund (Including Savings Bond Purchases), instruct taxpayers not to request a deposit of their refund to an account that is not in their name, such as their tax preparer's account. 4. Do not provide any specific information about a taxpayer's account unless the caller has a power of attorney to receive it.

25.25.8.8
(01-19-2021)

**Bureau of Fiscal
Services (BFS) Credit
Gateway**

- (1) The External Leads Program, supported and managed by the IRS Return Integrity & Verification Operation (RIVO), works in conjunction with IRS Submission Processing (SP) to receive, screen and validate leads, and request the recovery of refunds to reconcile accounts. Financial institutions can return refunds associated with leads electronically, rather than a paper check, via Bureau of the Fiscal Service (BFS) Credit Gateway.

- (2) Sources must provide a spreadsheet containing personally identifiable information (PII) that helps the IRS identify the source of the funds received as well as to ensure accurate processing of them.
- (3) When working these leads, conduct complete and accurate research on them and then notify the lead source the amount to return to the IRS.
- (4) RIVO will provide the source with a Credit Gateway Account Locator Number (ALC) for the submission of funds. See table in 8 below.
- (5) RIVO will then receive via the *efleads@irs.gov* mailbox, a batch file of funds with the locked down accounts, along with an e-mail including the Lead Number(s).
- (6) Any sources using the BFS Credit Gateway must be provided the fund transfer instructions below for the site working the inventory. The accounting POC for the site must be included in the instructions.
- (7) Update Lead Management System as required.
- (8) To initiate the fund transfer, use the following account information:

Kansas City, MO
ALC: 20090900
Standard Entry Class (SEC) code: CCD
Transaction Type: 22
Receiving ABA routing number: 051036706
DFI account number: 82009090001
Receiving Company Information: Institution Name and Lead number- (limit 22 characters) (Lead number = mmddyy seq number of lead, i.e., SunTrust 101414 39)
Tax Class: 20X0903

25.25.8.9
(06-20-2025)
**External Offset Leads
(State and Federal
Agencies)**

- (1) External Offset Leads primarily include the following:
 - The Office of Child Support (OCSE)
 - State Revenue Departments
- (2) Office of Child Support Enforcement (OCSE) receives and manages various state's child support Treasury Offset Program (TOP) offset referrals. OCSE accounts for the vast majority of questionable offsets received in the External Lead program. When a state identifies through their filters a suspicious offset, or the custodial parent advises the agency they are not entitled to the funds, each state gathers the account information pertaining to the offset and then forwards it to Health and Human Services (HHS). HHS collects the referrals from all states and then download it through their website portal. The referrals are retrieved from their portal for IRS review and response. Below is a list of information provided by HHS.

Note: Fraud Referral and Evaluation (FRE), conducts through a batch tool and database, the initial review of cases referred during phase one. See IRM 25.25.12.10.7, Office of Child Support Enforcement (OCSE) for more details. Those cases not meeting FRE's criteria will be assigned to the RIVO OCSE team to work in phase two of this process.

- Trace number
 - State referring case
 - Debtor first and last name
 - Debtor Taxpayer Identification Number (TIN)
 - Offset amount/date
 - Notes column(some states use the field to disclose the reason for referral)
- (3) The IRS works directly with the OCSE to provide a response to the states on returning questionable offsets referred. It is critical the TE conducts complete and accurate research to ensure the success of the partnership since the response directs the states to hold funds pending an offset reversal adjustment or provides an authorization to release the funds to the custodial parent. The assigned examiner must consider the following when reaching a determination:
- Review all corresponding modules and related transactions on the account within RIVO scope
 - The validity of corresponding claims
 - IDRS CC FTBOL and the FTBOL FY20XX Spreadsheet to determine if updated incarceration/release information is available
 - Date of death and module transactions indicating GATT
 - The following references IRM 25.25.9.4, General Agreement on Tariffs and Trade (GATT) Returns, Frivolous Claims, see IRM 25.25.10-1, Frivolous Arguments, inflated income and/or withholding, see IRM 25.25.2.3, Command Code (CC) IRPTR Return Verification During the Screening Process, Unallowables, see IRM 4.19.15.15, Unallowable Code (UA) Program
 - Identity theft markers
 - Non-eligible credits (see Form 1040 instructions) and dishonored/duplicate/erroneous payment refund issues
 - Any prior actions taken by the IRS or BFS to include full or partial reversal, along with funds reissued
 - The offset amount available
 - Where to refer/treat an invalid claim

Note: Prior to IRP being considered fully loaded, if the Examiner, after lookback (see IRM 25.25.2.2.1 (2) 8-9, Data Mining Screening Tree) is unable to decide, the return will be submitted through the RIVO verification process. An interim response of "M" will be recorded in LMS and the IDOC(s) will be dispositioned as appropriate to "Verify" in EFDS. The return DLN will be captured in the "Remarks" field.

Reminder: Do Not suspend a case which has been determined to be Identity Theft (IDT) or where the entire referred offset is no longer available for reversal (see IRM 21.4.6.4.2.11, Netting TOP Offsets and Reversals)

- (4) Input the TC 971 AC 134 with MISC "BKLD OFFSET" on all receipts to identify RIVO External Lead involvement.

Note: The TC 971 AC 134 may be input en masse using the automated GII tools.

Reminder: Ensure the name control is accurate; otherwise mismatches will require a re-submission after the correction or a manual input.

- (5) If the batch process is unable to verify the return against CC IRPTR due to the presence of Schedule C or other “unverifiable” data, including TIN and/or tax modules that cannot be located, the case will be referred to the External Lead team to make a decision in phase two. TE will need to include in their review the items in paragraph 3 above and the research listed in the bullet items below. In addition, the TE must input the marker on the account to indicate External Lead involvement as specified in paragraph 4 above.

- Identity theft markers, including TC 971 AC 125
- Refer to IRM 25.25.8.4 paragraph 7 for case actions, if **no** identity theft indicators are present and the taxpayer claimed either the **Fuel Tax Credit** and/or **COVID Sick Leave Credit** on their return
- EFDS notes
- Compromised IRP Data - Do Not Release Based on IRP

#

The External Lead Tax Examiner (TE) will identify the corresponding TIN and tax period. Thereafter, review the corresponding tax return filing(s) and tax module(s), including netting the referred TOP offset (see IRM 21.4.6.4.2.11, Netting TOP Offsets and Reversals).

- (6) Utilize the table below after the research is complete to determine the next actions to take to resolve the case. HHS will be expecting one of the following responses below. A description was provided to understand the response.
- **Yes** - Account was determined to be IDT, or non-IDT fraud and funds are available to be reversed.
 - **No** - Account determined to be valid or the 150 plus day timeframe for submitting an adjustment to reverse the offset was exceeded.
 - **PIR** - Prior actions show the IRS reversed the offset and so funds are no longer available.
 - **BFS** - Bureau of Fiscal Service reversed the offset amount as indicated by a TC 899 and therefore, no funds are available.

IF	Then
1. The agency code is 2 and it's been more than 150 days from the refund payment date,	Response is No . Skip to instructions in Paragraph 7.

IF	Then
<p>2. Offset amount is \$1,500 or less</p> <p>Note: If offset is more than \$1,500, proceed to block 3 and the succeeding blocks to determine the appropriate scenario for case actions.</p>	<p>Response is No. Skip to instructions in Paragraph 7.</p> <p>Exception: If filing is from an incarcerated individual continue to block 3 below and the succeeding blocks for the appropriate case scenario to follow.</p>
<p>3.</p> <p>a. TOP offset is fully reversed by a TC 899</p> <p>b. Referred TOP offset is fully reversed by a TC 290 AC 766(s) and/or TOP Manual Reversal TC 700(s)</p> <p>c. Referred TOP offset is fully reversed by a combination of TC 290/766 or 700 AND TC 899(s)</p> <p>d. A portion (less than the entirety) of the referred TOP offset has been reversed by TC 290/766 or 700 and/or TC 899</p>	<p>a. Response is BFS. Skip to instructions in Paragraph 7.</p> <p>b. Response is PIR. Skip to instructions in Paragraph 7.</p> <p>c. Response is Yes. Skip to Paragraph 7</p> <p>d. Continue below to block 5</p>
<p>4. A posted or pending freeze indicating Exam, Frivolous Filer Program (FRP), Criminal Investigations or Duplicate/Amended return, with no posted or pending reversal</p>	<p>Response is No. Skip to instructions in Paragraph 7.</p> <p>Exception: Social Media Scheme cases with a -E Freeze and TC 810 with responsibility code 4, see IRM 25.25.8.3 Processing External Lead, paragraph 7, block 10 -12 to evaluate if the return meets frivolous filer criteria for referral. Response will be Yes, if it does.</p>

IF	Then
5. Offset is only EIP/RRC, see IRM 25.25.8.3.2, Processing Economic Impact Payment Leads to determine the taxpayer's eligibility	Response will be Yes , if the determination is the taxpayer is ineligible for the payment. See instructions in paragraph 8 Response is No if the taxpayer is determined to be eligible for the payment and there is no indication of IDT. See paragraph 7 for further instructions
6. Referred offset is from an over-payment due to subsequent payment towards a balance due where there was an abatement or removal of tax/penalties, transferred ES payment, credit elect, etc.	Review validity of the original refunding module and the offset module following instructions below (7) and make determination.
7. a. Return is determined to be invalid per income/withholding tolerances established IRM 25.25.2.2.1(6), Data Mining Screening Tree b. Potentially frivolous claim, GATT issue, unallowable, non-eligible or inflated credit, inflated withholding, or otherwise erroneous refund c. IDT is confirmed d. Module(s) and filing contain no items of RIVO interest e. IRP data has not yet been confirmed to be 100%, and the examiner is unable to make a case determination based on the lack of IRP data on file	a. Response is Yes . See paragraph 7 for instructions. b. Response is Yes . See paragraph 7 for instructions. c. Response is Yes . See paragraph 7 for instructions. d. Response is No . See paragraph 7 for instructions. e. An interim response of " M " will be recorded in LMS and the IDOC(s) disposition as appropriate to "Verify" in EFDS. The return DLN will be captured in the "Remarks" field. See paragraph 7 for further instructions.

- (7) Based on the response to the scenarios from the table in paragraph 6 above, use the table below for case actions.

Response is	Then
Yes	<ol style="list-style-type: none"> 1. As applicable based on the return filing and module characteristics, send account for treatment/resolution. This includes EFDS/WMS and STARS updates, including any mass push and manual referral as appropriate. 2. Update OSRL LMS record: "SSN" (to match IDRS refund TIN), "IRS Response" (YES), "IDT/Fraud for YES/PIR" (Fraud, IDT, Inj Spouse, Other), "Tax Period" (YYYYMM), SubProc Remarks (Remarks as appropriate), "Reversal Amount" (the amount of the referred offset). 3. Input a TOP Offset reversal request (for the total amount remaining available) following IRM 21.4.6.5.12.1. Reminder: New programming was implemented that now allows the input of a reason code to indicate the offset reversal is tied to an External Lead. That new reason code is 234, and effective now, it must be included when entering the reason code for the adjustment. Note: If more than 5 years 11 months have passed since the offset date, contact the TOP Liaison (through Workleader) to determine the availability of funds. If funds are no longer available, your new response is No, see box below. If funds are available, request Manual TOP Offset Reversal using the appropriate form, do not input reversal on IDRS. 4. Close any RIVO control bases related to the Lead being worked.

Response is	Then
No	<p>Update OSRL LMS record: "SSN" (to match IDRS refund TIN), "IRS Response" (No), "Tax Period" (YYYYMM), SubProc Remarks field as shown below:</p> <ul style="list-style-type: none"> Box 1 or due to the funds no longer being available as per TOP Liaison, input "Late Lead" in "SubProc Remarks" field Box 2, input "Under \$1,500 WL" in the SubProc Remarks field Box 3, input "FLEAZ" in SubProc Remarks field <p>Note: If you determined No for any other reason, no entry is required in SubProc Remarks field</p> <p>Close any RIVO control bases related to the Lead being worked.</p>
PIR	<ol style="list-style-type: none"> As applicable based on the return filing and module characteristics, send account for treatment/resolution. This includes EFDS/WMS and STARS updates, and any mass push and manual referral as appropriate. Update OSRL LMS record: "SSN" (to match IDRS refund TIN), "IRS Response" (PIR), "IDT/Fraud for YES/PIR" (Fraud, IDT, Inj Spouse, Other), "Tax Period" (YYYYMM), SubProc Remarks (Remarks as appropriate), "Reversal Amount" (the amount of the referred offset). Close any RIVO control bases related to the Lead being worked.
BFS	<ol style="list-style-type: none"> Update OSRL LMS record: "SSN" (to match IDRS refund TIN), "IRS Response" (BFS), "Tax Period" (YYYYMM), SubProc Remarks (Remarks as appropriate). Close any RIVO control bases related to the Lead being worked.
M	<ol style="list-style-type: none"> Update OSRL LMS record: "SSN" (to match IDRS refund TIN), "IRS Response" (M), "Tax Period" (YYYYMM), SubProc Remarks (Enter Return DLN). Suspend case and perform follow-up every two weeks. Once your final determination has been made, take the appropriate actions described above for your Response.

(8) The designated POC will take the following actions:

- Upload the response file to the OCSE/HHS portal within 30 days of the initial receipt of the submission.

2. Provide weekly consolidated 971/972 listings to RIVO clerical staff for GII input.
3. Process weekly Submission Processing Update file for LMS.
4. Provide Quality file to PAS staff for inclusion in NQRS review pulls.

Reminder: No information that was not originally provided by the source agency may be disclosed

25.25.8.9.1
(07-08-2020)

**Responding to Offset
Phone Inquiries**

- (1) The IRS may receive phone calls from taxpayers who were informed their refund offset was not applied to a Federal/State debt because it was returned to the IRS.
- (2) Follow the If and Then chart below, document the call in AMS and include the taxpayer's name and contact information:

If	Then
1 The module contains an unreversed TC 971 AC 134 MISC field "BKLD OFFSET"	<ul style="list-style-type: none"> • Advise the taxpayer to wait 60 days from the date of the TC 971 input • If over 60 days and no action is shown on IDRS, prepare Form e-4442, Inquiry Referral, to RIVO, using the referral category for RICS/RIVO External Lead
2 The module contains an open/closed control with activity "FraudCase" and category "DMFC"	<ul style="list-style-type: none"> • Advise the taxpayer to allow 45 days from the receive date of the open control to receive a notice/letter requesting documentation to substantiate income/withholding claimed on the return. • If over 45 days with no indication of IRS correspondence to the taxpayer, prepare Form e-4442, Inquiry Referral, to RIVO, using the referral category for RICS/RIVO External Lead.
3 The module contains a TC 972 AC 134 MISC field "BKLD OFFSET"	Advise the taxpayer the refund will offset to any outstanding debt.

If	Then
4 The module contains a TC 972 AC 134 MISC field "BKLD OFFSET", with category "ELOF" and the funds are posted back to the account (TC 766 with OTN or TC 899 showing offset reversal to IRS, see IRM 21.4.6.5.1.2.2, TC 899, Reversal or Agency Refund of TOP Offset).	If over 15 days with no indication of RIVO action, prepare Form e-4442, Inquiry Referral, to RIVO, using the referral category for RICS/RIVO External Lead.

25.25.8.10
(10-23-2024)
Debit Card Procedures

- (1) Only questionable debit cards received at an IRS facility should be mailed in a sealed envelope to the Kansas City Service Center address listed below. Any other card (i.e., gift cards or credit cards, etc.) or correspondence not related to a questionable IRS refund, must be returned to the originator to resolve.

Exception: Pre-paid debit cards issued for Economic Impact payments, see IRM 3.8.45.19.1 (4), Repayment of Economic Impact Payments (EIP) for the address to return the card(s).

Follow PII Guidelines and reporting requirements for inadvertent unauthorized disclosures in IRM 21.3.3.4.24, Breaches of Personally Identifiable Information (PII) Caused by Manual Stuffing Errors and UPS Overnight when returning cards to the originator or to the address below:

Internal Revenue Service
Attn: RIVO External Lead Manager
333 W Pershing Rd Stop 7777
Kansas City, MO 64108

- a. RIVO reviews the cards and determine the return address of the issuing bank.
 - b. Prepare and send the debit card letter in Exhibit 25.25.8-1, Letter for Intercepted Prepaid Debit Card(s). The issuing bank's name, the send date of the letter, and the volume of cards must be maintained on a spreadsheet located at the Austin Shared drive Debit Card folder.
- (2) Reloadit cards are used by some taxpayers to add funds, to pay their balance due. Send the taxpayer letters and Reloadit cards to the Kansas City SP Payment Processing Unit. The SP payment processing unit does not accept credit/debit cards as a valid form of payment. The Payment Processing Unit returns the debit cards to the taxpayer with an explanation of how they can pay their balance due.

25.25.8.11
(06-20-2025)
Centralized Check Process (CCP)

- (1) The Centralized Check Process (CCP) program was initially created to address checks from all service centers that were returned due to probable identity theft. These checks were being routed to RIVO External Lead team to assess if the return associated with the refund was valid. The payments returned included Treasury check copies, third-party checks, and miscellaneous payments in the form of money orders, savings bonds, personal checks etc. Now with the creation of the Identity Theft Victim Assistance organization these cases are mostly worked by them while payments are processed by the

Payment Processing Unit. Below is a brief description of each CCP inventory type.

Treasury Check - This is an official check the IRS authorized for release.

Third-Party Checks - These are refund repayments that are not made payable to the United States Treasury or one of the other acceptable names as stated in the *Overstamping* IRM subsection.

Miscellaneous Check - These are personal checks or other forms of payment made payable to the United States Treasury or one of the other acceptable names because the taxpayer did not believe they were entitled to the refund received.

- (2) If documentation containing a live signature is received with the check, file the document(s) per IRM 25.25.5.2.1, General Replies to Letters/Notices and Undeliverable Mail.

25.25.8.11.1
(06-20-2025)

Returned Treasury Checks

- (1) Questionable Treasury checks are no longer reviewed or processed by the RIVO External Lead program. The table below provide the routing instructions for checks received and the closing case actions.

If	Then
A Treasury check associated with a tax refund regardless if it has expired or from another agency.	<ul style="list-style-type: none"> Input CXX,REJECT-TORI,C,EVfy if there are any open controls Complete form 3210 to route the check to the Refund Inquiry unit located at the address: Kansas City Refund Inquiry Unit, 333 W Pershing Rd Mail Stop 6800, N-2 Kansas City, MO 64108 <p>Note: If an attachment is included such as general correspondence and forms including those used to report identity theft (i.e., Forms 14039 and 14039-B), route it to the Image Control Team (ICT) using the Form 12305, Routing Slip</p>

25.25.8.11.2
(06-20-2025)

**Third-Party Checks and
Miscellaneous
Repayments**

- (1) If a third-party check or miscellaneous repayment is routed to RIVO External Lead department, assign a lead number and create a folder. The naming convention for the lead number and folder will be as follows: MMDDYY 09(Kansas City Service Center number) 99(Sequence number). The sequence number will be in descending order starting at 99.

Example: Third-party check received Mar 4, 2025 - Lead number **030425 09 99**.

Note: All CCP cases are worked as an External Lead deposit.

- (2) Return to the originator for appropriate handling, all expired third-party checks received, with Entity (name line) issues, or address changes are not worked in CCP.
- (3) RIVO does not have the ability to process live payments received. Therefore, all referrals should only contain a copy of the check, and any correspondence attached. In addition, the issuing bank should be from SBTPG or Green Dot since RIVO has established points of contacts for these institutions. All original checks received will need to be forwarded to the local Payment Processing Unit with an attached 3210 and the statement, **Unable to process the payment. A letter was sent to the financial institution to request for a replacement check.** If checks are received from another financial institution, elevate it to RIVPM P&A POCs to provide guidance. Use the Table below to process the lead created.
- (4) Follow the If/And/Then chart for completing Centralized Check Processing (CCP) for third-party checks and miscellaneous repayments:

If	And	Then
<p>1 Check(s) is made payable to a 3rd Party</p>	<p>The payor is SBTPG or Green Dot Bank</p>	<ol style="list-style-type: none"> 1. Send bank POC the <i>Third-Party</i> script for a replacement check. 2. Research IDRS to identify the TIN and tax period associated with the payment. 3. Input TC 971 AC 134 (if not already present) and TC 971 AC 850. 4. Input a history item "DONOTRFUND". 5. Update the IDRS control to: "3RDPRTYCK" and then update to "PND\$AMT". 6. If not present, enter on IDRS a TC 971 AC 522, "WI RIVO PND-CLM", for cases where there are indicators of identity theft. See Exhibit 25.23.2-10, IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status (Initial Claim/ Submission) for instructions on inputting the TC 971-522. <p>Current processing year return or the return is already in STARS:</p> <ol style="list-style-type: none"> 7. Update the return disposition to "CAT 7 CC". Update the disposition to "CAT 5 CL" if resolved by another function, or "CAT 7 CL", if identity theft was resolved by RIVO. <p>Prior processing year return:</p> <ol style="list-style-type: none"> 8. Complete the mass push template and open a control base to "C0,PNDSTARS,M,EVfy 148XX00009". 9. Input the notes in EFDS and AMS, see IRM 21.2.2.4.5, Account Management Services (AMS). Include in the notes "CCP, Lead number MMDDYY XX XX, received (original or efax of check) 3rd party check (Bank's name) check numberXXX \$XXX.XX, returned to bank, requesting funds, TP statement (i.e., statement from the taxpayer IDT, erroneous refund, F14039, etc.)." 10. Monitor the "EVfy" control base.

If	And	Then
2 Check(s) is made payable to a 3rd Party	If no response received after 45 days	The monitoring POC working the age list will: <ul style="list-style-type: none"> • Send a follow up e-mail containing the <i>45 Day Follow Up Letterscript</i> to request for the funds again. • Update the IDRS control base "PND\$AMT" to "45FOLLOWUP". • Update AMS History note to, "CCP Lead number45 day follow up e-mail sent".
3 Check(s) is made payable to a 3rd Party	If no response received after an additional 15 days from the follow-up e-mail	The monitoring POC working the age list will: <ul style="list-style-type: none"> • Update AMS History note to, "No funds returned", as applicable. • Close the IDRS "45FOLLOWUP and" control base with, "NOFNDSRTND,C".

If	And	Then
4 Miscellaneous Repayment Check or money order is made payable to: <ul style="list-style-type: none"> • US Treasury • United States Treasury • Internal Revenue Service • Department of the Treasury 	a. There is RIVO activity (RIVO transactions, letters, or freeze conditions) b. A Form 14039, Identity Theft Affidavit is attached, OR c. Correspondence indicates identity theft	1. Input TC 971 AC 134 (if not already present) and TC 971 AC 850. 2. Input a history item "DONOTR-FUND" 3. Update the Open an IDRS control base to: "PNDMISCCK" 4. If there are indicators of identity theft for the tax year you are working, input a TC 971 AC 522 "WI RIVO PNDCLM", if not already present for the year you are working, see Exhibit 23.2-10, IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status (Initial Claim/Submission) Current processing year return or already in STARS: 5. Update the return disposition to "CAT 7 CC.". Update as "CAT 5 CL" if the account is resolved by another function. If identity theft, and the account will be resolved by RIVO, update the return disposition to "CAT 7 CL". Prior processing year return: 6. Complete the mass push template and open a control to "C0,PNDSTARS,M,EVfy 148XX00009,*". 7. Update AMS History note to, "CCP, Lead number MMDDYYYY XX XX, received (personal check, money order, cashier's check) Check numberXX \$XXX.XX, sent to payment processing. TP states... (i.e., IDT, erroneous refund, F14039, etc.)."

25.25.8.12
(06-14-2023)

**Reject Reason Code
17/18/19 Transcripts**

- (1) Beginning January 2013, an Opt-In Program developed by the IRS, Department of Treasury Bureau of Fiscal Services (BFS) and the National Automated Clearing House Association (NACHA) repurposed reject reason code 17 to allow the IRS a dedicated return reason code to reject ACH direct deposits associated with name mismatches, ID theft, and questionable fraud returns. All rejects are identified for this program as reject reason code 17. However, the addendum record field, when completed, provides the specific reason for the rejected direct deposit. Paragraphs 2, 3, and 4 provides details for each addendum record.

- (2) Financial Institutions use Reject Reason Code 17, Addendum Record 17 (R17), to reject current year direct deposit refunds when the name/taxpayer identification number (TIN) listed on the Treasury Automated Clearing House (ACH) file for the tax refund does not match the account holder information in the bank's records. R17 rejects post to IDRS with a TC 841 DLN ending in "77711" and a control base with an assigned number of "1487111117". Taxpayer receives a *CP 53A*, Attempt to Direct Deposit Your Refund, Could Not Be Processed. A Paper Check Will Be Issued. A Reject Reason Code 17 REFC (refund cancellation) will generate when one or more of the following situations occur in banking filters:
- The last name on the account (account holder) does not match the name on the return.
 - Multiple named federal tax refunds deposited into single accounts or multiple accounts.
 - Multiple tax refunds for multiple taxpayers going into a single account without any established relationship.
 - Full and partial name mismatches where a relationship to the account holder is not established.
 - TIN on account does not match return information.
 - There is no exact match of the entity information and efforts to reconcile joint filers is exhausted.
 - The IRS requests funds back as part of a recovery attempt. These funds may come back as either a paper check or a deposit. These accounts contain a TC 971 AC 123 with MISC field "TPP Recovery".

Reminder: The initial notice advises the taxpayer to wait 10 weeks prior to calling regarding their refund.

- (3) Financial institutions use Reject Reason Code 17, Addendum Record 18 (R18) to reject current year direct deposit refunds when the bank determines the tax refund is identity theft. R18 rejects post with a TC 841 DLN ending in "77712" and a control base with an assigned number of "1487111118". Notice *CP 53B*, "Direct Deposit Rejected Financial Institution - Refund Check Mailed", is mailed to the taxpayer.

Reminder: The initial notice advises the taxpayer to wait 10 weeks prior to checking on the status of their refund.

- (4) Financial institutions use Reject Reason Code 17, Addendum Record 19 (R19) to reject current year direct deposit refunds when the bank determines the account holder's tax refund is fraudulent. R19 post with a TC 841 DLN ending in "77713" and a control base with an assigned number of 1487111119. Taxpayer is mailed a *CP 53C*, Direct Deposit Rejected by Financial Institution - Refund Check Mailed.

Reminder: The initial notice advises the taxpayer to wait 10 weeks prior to checking on the status of their refund.

- (5) Subsequently a refund cancellation R17 transcript listing generates to Return Integrity Compliance Services (RICS) External Leads for workload distribution and refund verification. The refund will be released or held upon the completion of the review. If held the return will be referred to the appropriate treatment stream.

Exception: Do not release accounts containing a TC 971 AC 123 with MISC field “TPP Recovery.” Disposition to PS 30 once the recovered funds post, unless research shows the account is already adjusted to the good taxpayer’s figures.

25.25.8.12.1
(10-23-2024)

**Reject Reason Code R17
Procedures**

- (1) The External Lead NACHA Group pull Control D reports for the most recent date for R17, R18, and R19. The files are saved as a text file in their respective folders.
- (2) Input EFDS return note **BKL-RXX** (XX= Reject Reason code 17/18/19) on all returns using CASE.
- (3) Complete the following steps after the files are saved.
 - a. Use the Access Database and NACHA Import Template for the initial import of the new NACHA leads into LMS. Update each lead with the Lead Type, Total Amount Available for Recovery, and Site.
 - b. Assign each lead to “NACHA, NULL” in LMS.
 - c. Export the spreadsheets for all the leads imported and save in a working folder until Step e-h.
 - d. If there were R18’s received, send those returns to ACE/ADJ with the note “RIVO EL IDT BKLD” and input NACHA note “BKL - R18”. Update LMS as TPP and put in Suspense.
 - e. Create an Excel file for the week’s NACHA inventory received, to send to FRE. Apart from **R18s**, there should be a tab for each reject code, and within that tab include the lead number, SSN, and tax period for every account received for that reject code.
 - f. Save this file in the designated folder for FRE and then email the POCs to let them know the file is ready.
 - g. Using the file returned from FRE, fill out the LMS spreadsheets that you saved in Step c. Input all DLN’s, including the ones with no Results. Update all Good returns in LMS and move them to complete. Returns marked as FRE PS30 need to be placed into Suspense with a note stating TPP. What remains will be saved in the NACHA Fall Out folder to be assigned to the TE’s.
 - h. Close all controls on the PS 30 tab from FRE.

Reminder: FRE will take the actions to release the refunds from the list of returns they determined were valid.

- (4) The results from FRE, saved in the NACHA Fall Out folder, must be manually screened by the TE assigned the cases. Follow IRM 25.25.2.2, Data Mining Screening, to assist in making a determination and follow the procedures in the table below to determine the appropriate EFDS process status and account resolution actions.

#

- a. Review EFDS to aid in determining a pattern.
- b. Identify any previous IDRS reversal adjustments on the account.
- c. Review the account for Exam activity (TC 42X, -L freeze etc.)

Note: If Exam closed their audit and allowed a ‘no-change’ determination (TC 300.00 with no other credit reversals), consider the return valid as filed and do not request funds back from the financial institution. If the funds were already returned, release the funds.

- d. Search entity modules for indications of identity theft such as a previously posted TC 971 with Action Code (AC) 5XX. See IRM 3.5.20.2.8.1, Identity Theft Indicator.
- e. Review referral procedures in IRM 25.25.8.4 paragraph 7, if **no** identity theft indicators are present and the taxpayer claimed either the **Fuel Tax Credit** and/or **COVID Sick Leave Credit** on their return.
- f. Review IDRS for any payments (TC 610, TC 670, TC 430, TC 716, etc.).
- g. Review account for any balance due conditions (this may indicate other actions taken on the account).
- h. Review IDRS for extension to file (TC 460).
- i. Review EFDS notes for indication of previous RIVO involvement.

Note: Search for open issue or previously verified good through contact employer.

Note: Any IDOC on CC IRPTR containing the warning statement, WARNING - "POTENTIAL FRAUDULENT PAYER TIN" OR "WARNING - POTENTIAL FRAUDULENT SUBMISSION" and any IDOC with the notes in "EFDS, PATMAT-SUS IRP", "FABRICATED ENTITY", or "NO EMPLOYEES", should be considered falsified information and not used to verify wages and withholding.

Reminder: Research to establish whether the return is IDT or Non-IDT. **RIVO DOES NOT AUDIT** returns.

- (5) Follow the table below once the determination is made to recover the funds:

If	And	Then
1 The return is good	filed by the TIN owner	<ul style="list-style-type: none"> a. Re-file the return in EFDS. b. Input TC 971 AC 850. c. Release the refund inputting a TC 290.00 with a Priority Code (PC) 1 and a Posting Delay Code (PDC) of 1. d. Close all RIVO controls. <p>Note: Release valid returns en masse weekly.</p>

If	And	Then
2 The return is probable IDT, or the refund was rejected using return reject reason code 17 addendum record 18	the full TC 846 was returned	<ul style="list-style-type: none"> Disposition the return to Ace Adjustments (PS 30) Exception: If the return has previously been through the TPP process, the return cannot be put back through the TPP process unless the module contains TC 971 AC 123 MISC field "TPP RRP". Input an EFDS return note of "RIVO EL IDT BKLD" Close all RIVO controls
3 TPP results shows the taxpayer return was authenticated as indicated by a posted a TC 972 AC 121, 124 or 129		<ul style="list-style-type: none"> Review the account to determine if other fraud issues exist before releasing the refund. See screening procedures in paragraph 4 of IRM 25.25.8.12.1, Reject Reason Code R17 Procedures. If no other fraud is found, see the procedures in 1 above in this table. If other fraud is found, work per the guidance in IRM 25.25.2.2, Data Mining Screening.
4 The return is considered IDT	the full TC 846 is not returned Exception: If the account contains a TC 971 AC 123 with MISC field "TPP Recovery", then treat as in box 2 above	<ul style="list-style-type: none"> Push to Scheme and update the category and disposition to the appropriate identity theft Triage Category per IRM 25.25.5-1, Triage Procedures If completed en masse, update to "CAT 1" Input an EFDS return note of "RIVO EL IDT BKLD" Close all RIVO controls
5 The return is questionable	is an electronic filed return	<ul style="list-style-type: none"> Update disposition in EFDS as appropriate Close any RIVO open IDRS control bases

(6) Follow the table below for paper returns:

If	Then
1 A paper return	<ul style="list-style-type: none"> Request the return from files Input CC ESTABD Update activity to "ESTAB1"
2 If more than 14 days have passed	<ul style="list-style-type: none"> Initiate a second request using CC ESTABV to expedite the request Update the activity to "ESTAB2" Allow 21 days for a response
3 The return is received on the second request	<p>Input the IDOC information in EFDS and disposition the return as appropriate.</p> <p>Note: If pushed to verification, add to manual verification spreadsheet.</p>
4 The return is not received on the second request	<ul style="list-style-type: none"> Push the return to Scheme Include a return note in EFDS stating "paper return – not received"

- (7) If there is a duplicate Filing Condition on CC TXMODA indicated by a –A Freeze:
- Suspend the case, update control base to B status and update the activity to "SUSPNCE2AM".
 - When Accounts Management (AM) work is complete, they update the control activity to "DUPWKD".
 - RIVO then monitors for the activity update and inputs a TC 290.00 with PC 1 and closes the control base.

25.25.8.13
(02-09-2024)

Reject Reason Code R23 Procedures

- Financial Institutions use reject reason code 23 (R23) when a customer advises them they were not entitled to the refund received. These will be identified on IDRS CC TXMODA with blocking series number, **77714** contained in the DLN. R23, will generate notice CP-53B.
- Pull Control D files for NACHA and save as a text file in the appropriate reject folder.
 - Import files into LMS using the NACHA Import Template. The lead number is the date on the text file followed by the sequence received that day and the NACHA reject code, i.e., 031918 01 R23.
 - Update the records in LMS by notating as NACHA, input the total dollar amount on the Control D file in the "Total Amount Available for Recovery" box and assign to Cincinnati.
 - Add R23 returns to Case and add note **BKL - R23**.

- (3) Send R23s received to ACE/Adjustments and input the “BKL - R23” note along with the “RIVO EL IDT BKLD” note.

Reminder: Returns refiled by TPP, can go through the TPP process again if its due to a lost refund.

Note: If the TPP results show the return was authenticated as indicated by a posted TC 972 AC 121, 124 or 129, conduct additional research to determine if other fraud exist before releasing the refund. See IRM 25.25.2.2, Data Mining Screening.

- (4) Separate the results in two tabs, **TE & Valid**. Run the DLNs through SNAP to determine which accounts have split refunds. Load the accounts that do not contain split refunds on the TE tab in Case, and anything that has not been previously disposition will be sent to ACE/ADJ with the appropriate note “RIVO EL IDT BKLD”. Leave returns with the disposition SCHEME/Verification alone, and send returns in any other process besides Re-file to ACE/ADJ. Review returns in re-file to determine:

If	And	Then
Disposition is valid	lost refund	Check validity and disposition appropriately
Disposition is valid	the return is valid	<ul style="list-style-type: none"> Load into CASE and review any previous dispositions Caution: These could be IDT returns. Run the returns through a CC IMFOLT and CC TXMODA GII to find out which accounts still have a credit balance, and which accounts still have an open control base Close all control bases using Access/Macros & GII Release these refunds with a TC 971 AC 850 Re-file (need to show re-filed by a NACHA TE)

25.25.8.14
(02-09-2024)

Undeliverable Refunds

- (1) Undeliverable refunds involve paper checks returned as undeliverable that were prior R17, R18, R19 rejects and R23. Fraud Referral and Evaluation (FRE) team, compiles a listing of these checks for RIVO to review the account and determine if it meets IDT characteristics. Follow the chart below to determine the applicable action to take:

If	And	Then
1 Meets IDT characteristics for a current processing year	full amount of over-payment returned	Push through manual TPP process to PS 30 with the specific bank lead EFDS note.
2 Meets IDT characteristics for a prior processing year	full amount of over-payment returned	push to STARS and update as CATG "7" Disp "MR".
3 Meets IDT characteristics for a current processing year	partial refund returned (i.e., split payment and only one TC 846 was returned as undeliverable)	Push through manual TPP process to PS 30 with the specific bank lead EFDS note..
4 Meets IDT characteristics for a prior processing year	partial refund returned	push to STARS and update as CATG "7" Disp "MR".
5 Does not meet IDT characteristics		Take no action.
6 IDT characteristics cannot be determined		FRE monitors for 60 days. If the S freeze is unresolved, push to STARS, update to Cat 7 and the applicable disposition.

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Exhibit 25.25.8-1 (07-08-2020)**Letter for Intercepted Prepaid Debit Card(s)****Letter for Intercepted Prepaid Debit Card(s)****DEPARTMENT OF THE TREASURY****INTERNAL REVENUE SERVICE****ATLANTA, GA 30308****Financial Institution****PO Box 12345****Anywhere USA****By :e-mail/mail/fax****Re: Intercepted Prepaid Debit Cards**

The U.S. Postal Inspection Service notified us that it suspected that prepaid debit cards you issued were used to receive fraudulent Federal tax refunds. The U.S. Postal Inspection Service intercepted these cards from the mail and provided them to our agency. We are returning these cards to you as the identified issuing institution.

We wish to investigate whether any Federal tax refunds were deposited to the prepaid debit cards returned to you to ensure that we recover all refunds that are improper Federal payments. This letter is our request for your assistance with the investigation.

The Federal Right to Financial Privacy Act, as amended in 2008, authorizes you to assist us by providing financial records, upon request, when we are investigating or recovering an improper Federal payment. In accordance with 12 U.S.C. 3413(k)(2)(B), we request that you provide us with the direct deposit (routing and deposit account) numbers, Federal tax refund amounts, date of deposit or ACH transfer, and Social Security Number reported by the Treasury Financial Management Service on the ACH file for each Federal tax refund deposit that posted to the cards returned to you so that we may match this information against our records. Our request for direct deposit numbers is focused on the numbers your customer would enter on a Federal tax return to direct a refund to the card.

We ask that you provide this response in spreadsheet format within 20 days from the date of this letter by secure email to efleads@irs.gov with a subject line following this format: Intercepted Prepaid Debit Cards, [Your Name], [Date]. Please direct any questions about this request to the same email address.

We may later request that you return to us any refunds you identify to the extent that funds remain in the accounts you identify. We may also request your best efforts to protect the funds in any accounts by stopping the re-issuance of these cards and refusing any further withdrawals or payments requested by the cardholder.

We appreciate your assistance in this matter.

Sincerely,

Denise D. Davis

Exhibit 25.25.8-1 (Cont. 1) (07-08-2020)

Letter for Intercepted Prepaid Debit Card(s)

Letter for Intercepted Prepaid Debit Card(s)

Director, Return Integrity Operation

Exhibit 25.25.8-2 (08-27-2025)**External Lead Involvement Indicators**

The following chart contains historical and current Integrated Data Retrieval System (IDRS) control bases and history items indicating probable External Leads involvement. Non-RIVO employees should contact the External Leads POCs as appropriate for guidance before taking any actions on an account.

IDRS Activity and Control number	Description
1 "BKLD" (148XX00001)	A Bank Lead was received.
2 "REQFUNDS" (148XX00002)	IRS requested the funds (refund) from the financial institution.
3 "PND841BFS" (148XX00003)	IRS refund check received. Wait for TC 841 to post back funds.
4 "BKLDCKRECD" (148XX00004 or 148XX00007)	IRS received the funds (refund), the amount returned typically is less than the TC 846 due to bank fees assessed or withdrawals made from the account.
5 "BKLCOMNGLD" (148XX00004 or 148XX00007)	IRS received the funds (refund) but was unable to determine the dollar amount to apply to the taxpayers' account or the account was previously adjusted and then credited with a TC 841. These funds are placed in a general ledger account.
6 "NOFNDSAVLB" or "NOFNDSRTND" 148XXXXXXX	No funds (refund) are available to be returned to the IRS or no funds returned (no response from the bank)
7 "BKLDACHREV" (148XX00005)	Automated Clearing House (ACH) Reversal associated with an External Lead.
8 "VALID150" (148XX00007)	When TC 720 posts, refund will be released.
9 "DONOTRElse" or "DONOTRFUND"(CONTROL BASE OR HISTORY ITEM	TC 720 or TC 841 posted; refund should not be released without approval from RIVO.
10 "PNDSTARS"(148XX00009)	Suspend until return has been pushed to STARS and can be referred
11 "BKLD OFFSET" (971-134 LITERAL)	There is a potential for an offset reversal based on account review
12 "3RDPRTYCK"(CONTROL BASE OR HISTORY ITEM)	Third-party check received that has not posted.
13 "PNDMISCCK"(CONTROL BASE OR HISTORY ITEM)	Payment received to repay a refund received in error.

Exhibit 25.25.8-2 (Cont. 1) (08-27-2025)
External Lead Involvement Indicators

IDRS Activity and Control number	Description
14 "720PENDING"(CONTROL BASE OR HISTORY ITEM)	Waiting for the posting of the TC 720. Funds to post back to the account
15 "PND722"(CONTROL BASE OR HISTORY ITEM)	Waiting for the TC 722 to post
16 "722POSTED"(CONTROL BASE OR HISTORY ITEM)	The TC 722 posted
17 "PND841" assigned to 148XX00014	Waiting for the posting of the TC 841. Funds to post back to the account.
18 "PND841" assigned to 148XX00017	Waiting for the posting of the TC 841. Funds to post back to the account.
19 "ALTEREDCK" assigned to 148XX00003	The refund check has been altered. i.e., money amount changed, name changed etc.,
20 "841POSTED"(CONTROL BASE OR HISTORY ITEM)	Funds have posted back to the account.
21 "TCISCANCEL"(CONTROL BASE OR HISTORY ITEM)	A Treasury Check has been canceled through TCIS and is waiting for the TC 841 to post to the account.
22 "PNDMISCK"(CONTROL BASE OR HISTORY ITEM)	A miscellaneous payment was received from the taxpayer to repay the refund. Waiting for the posting of the payment.
23 "BKLDERROR"(148XXXXXXX)	A control was opened in error.
24 "RFNDNOTHLD"(CONTROL BASE OR HISTORY ITEM)	The refund was not held.
25 "REJECTTORI"(CONTROL BASE OR HISTORY ITEM)	Case rejected to refund inquiry.
26 "740POSTED" (CONTROL BASE OR HISTORY ITEM)	The TC 740 posted to the account.
27 "720POSTED"(CONTROL BASE OR HISTORY ITEM)	The TC 720 has posted to the account.

Exhibit 25.25.8-2 (Cont. 2) (08-27-2025)**External Lead Involvement Indicators**

IDRS Activity and Control number	Description
28 "NOTIRSFNDS"(CONTROL BASE OR HISTORY ITEM)	The funds were not issued by IRS, and they are not being requested back from the financial institution.

Exhibit 25.25.8-3 (02-15-2017)**Recovery from Third Party Check Letter**

Recovery from Third Party Check Letter
DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308
Date
Financial Institution
Address
City, ST Zip code
By: mail
Re: Recovery from Third Party Checks
We received third party checks that we believe were issued by you in connection with the filing of federal tax returns claiming a fraudulent tax refund. We are returning these checks to you as the identified issuing institution.
We wish to investigate whether any federal tax refunds were deposited to the accounts of the checks we have returned to you to ensure that we investigate and recover refunds that are improper federal payments. This letter is our request for your assistance with the investigation.
<p>The Federal Right to Financial Privacy Act, as amended in 2008, authorizes you to assist us by providing financial records, upon request, when we are investigating or recovering an improper federal payment. In accordance with 12 U.S.C. 3413(k)(2)(B), we request that you provide us with the following information about federal tax refunds that posted to the accounts related to the checks we are returning to you:</p> <ul style="list-style-type: none"> • Direct deposit (routing and deposit account) numbers, • Federal tax refund amount, • Date of deposit or ACH transfer, • Name reported on the ACH file, and • Social Security Number reported on the ACH file
Our request for direct deposit numbers is focused on the numbers your customer would enter on a federal tax return to direct a refund to your bank. We welcome additional information, such as the account or customer reference number, that will assist us in communicating with you about these refunds.
We ask that you create an electronic spreadsheet listing only suspect refunds that posted to accounts that currently have a positive balance. If there is no chance of returning any part of a refund, please exclude the refund from your spreadsheet. We ask that you provide the spreadsheet within 30 days from the date of this letter by secure email to efleads@irs.gov with a subject line following this format:
Recovery from Third Party checks, [Your Financial Institution Name], [Date]

Exhibit 25.25.8-3 (Cont. 1) (02-15-2017)**Recovery from Third Party Check Letter**

Please mention this letter in the email body and include information about a point of contact at your institution. Please describe any potential patterns or trends of improper payment revealed by federal refunds you received, even if related to accounts with a zero balance or other accounts at your institution. If you include details about these other accounts, please make clear that you are not offering to return funds from those accounts, for example by listing the current balance on each account. You do not need to provide any detail if you are already working with another IRS office to report potential refund fraud.

We may later request that you return to us any refunds you identify to the extent that funds remain in the account. We may also request your best efforts to protect the funds in any accounts by stopping the re-issuance of these checks and refusing any further withdrawals or payments requested by the account holder.

Please direct any questions about this request to efleads@irs.gov.

We appreciate your assistance in this matter.

Sincerely,

Denise D. Davis

Director, Return Integrity Operation

