

IRM PROCEDURAL UPDATE

DATE: 02/19/2013

NUMBER: SBSE-05-0213-0367

SUBJECT: ID Theft Updates

AFFECTED IRM(s)/SUBSECTION(s): 5.19.1

CHANGE(s):

IRM 5.19.1.9 Identity Theft - Overview, updated throughout for clarity.

1. ID Theft occurs when someone uses another individual's personal information, such as their name, SSN, or other identifying information, without their permission to commit fraud or other crimes. ID Theft situations are encountered when taxpayers call and indicate someone is using their SSN or EIN.
2. The procedures in this subsection apply to Collection cases where the victim of ID Theft contacts the IRS for assistance, in most cases because of an assessment.

EXAMPLE: AUR, ASFR, SFR, or Examination assessments.

3. The Identity Protection Program developed ID Theft indicator codes to mark and track ID Theft incidents. Each indicator is input as a TC 971 with Action Code (AC 5XX) and displayed on IDRS CC ENMOD of the affected taxpayer's account. See IRM 10.5.3.2.5, *Identity Theft Tracking Indicators*, for specific descriptions of these indicator codes.

IRM 5.19.1.9.1 Identity Theft - General Information, updated throughout for clarity. Updated hyperlinks throughout.

1. There are different types of forms received by either fax or incoming mail addressing ID Theft or ID Theft claims.
 - Form 14027–B , *Identity Theft Case Referral*. These referrals are received from AM IPSU for monitoring account activity on a case where there is an open IDRS control base. See IRM 5.19.2.6.1, *Return Delinquency Identity Theft-Referral Tracking Process*, for procedures for handling the referral.
 - Form 14103, *Identity Theft Assistance Request (ITAR)*. These referrals are worked by the area ITAR Liaison. See IRM 5.19.6.25.1, *Form 14103, Identity Theft Assistance Request (ITAR)*, for processing ITAR requests.
 - Form 14039, *Identity Theft Affidavit*. These forms are received from taxpayer's in support of their identify theft claim. Follow procedures in the following sections for processing these forms.

2. When handling cases with ID Theft issues, refer to the following Issue/Response Chart:

Issue	Response
<p>The taxpayer's identity is stolen; however, they have no indication their stolen identity was used inappropriately for tax purposes, EXAMPLE: They haven't received an IRS notice.</p>	<ol style="list-style-type: none"> 1. Advise the taxpayer to file a complete Form 14039, <i>Identity Theft Affidavit</i>, if the taxpayer has not already done so. 2. Advise the taxpayer to also make a report to their local police and the three major credit bureaus: Experian: 1-888-397-3742 Equifax: 1-800-525-6285 TransUnion: 1-800-680-7289 3. Refer the taxpayer to the Identity Protection Specialized Unit, 1-800-908-4490. See IRM 10.5.3, <i>Identity Protection Program</i>. CAUTION: Taxpayers should not be referred to IPSU unless they have additional questions that ACS cannot answer. IPSU will contact the taxpayer upon Form 14039, <i>Identity Theft Affidavit</i>, receipt. (See additional information in IRM 21.9.2.3.1(1)(b) Note, <i>Self Identified - Non-Tax-Related Identity Theft</i>.) 4. For additional information, visit http://www.irs.gov and type the words "identity theft" into the search engine. NOTE: Credit bureau information can be found at http://www.ftc.gov/
<p>The taxpayer received an e-mail from the IRS requesting their personal identifying information, EXAMPLE: SSN, EIN, financial information, etc.</p>	<ol style="list-style-type: none"> 3. Advise the taxpayer the IRS does not request sensitive information by e-mail; as a result, the taxpayer should not respond to this e-mail. 4. Request the taxpayer forward a copy of this e-mail to IRS at phishing@irs.gov. 5. For additional guidance:

	See IRM 21.1.3.23, <i>Scams (Phishing) and Fraudulent Schemes</i> .
The taxpayer claims tax related ID Theft. Request appropriate documentation. See IRM 5.19.1.9.2, <i>Identity Theft Documentation</i> , and based on the BOD, take the following action,	<p>1. ACS/ACSS:</p> <p>W&I — "TOM5,XX,DOCREQ"</p> <p>SB/SE — "TOK5,XX,DOCREQ"</p> <p>XX = 30 days beyond the deadline date provided to the taxpayer.</p> <p>2. Balance Due Notice Status:</p> <p>W&I — Input CC STAUP 2209.</p> <p>SB/SE — Input TC 470 (no closing code) using CC REQ77 /FRM77 .</p> <p>3. Ensure the appropriate TC 971 indicator is on the account.</p> <p>4. If there is no indication the taxpayer submitted the required supporting documentation, follow IRM 5.19.1.9.2, <i>Identity Theft Documentation</i>.</p> <p>5. If there is an indication the taxpayer submitted required documentation:</p> <p>Balance Due Notice status:</p> <ul style="list-style-type: none"> ○ W&I BOD Code: Forward a Form 4442, <i>Inquiry Referral</i>, to the Fresno ACSS IDT coordinator. ○ SB/SE BOD Code: Forward a Form 4442, <i>Inquiry Referral</i>, to the appropriate CSCO IDT coordinator. <p>6. Document AMS with actions taken.</p>
Taxpayer has knowledge of another person filing a federal tax return with a stolen SSN or EIN,	Ask the taxpayer for additional information, such as the individual's name and stolen SSN or EIN. Refer this information to Criminal Investigation Fraud Detection Center. See Exhibit 21.3.4–37 , <i>CRIMINAL INVESTIGATION FRAUD DETECTION CENTERS</i> .
Taxpayer requests a new SSN because their identity	Advise the taxpayer to contact SSA at 1-800-772-1213 or http://www.ssa.gov/ .

has been stolen,	
------------------	--

NOTE: IRM 5.19.1.9.2, *Identity Theft Documentation*, and IRM 5.19.1.9.2.1, *Identity Theft Documentation Processing*, contain additional information on ID Theft documentation and ID Theft documentation processing. More information on ID Theft may be found in IRM 10.5, *Privacy, Information Protection and Data Security (PIPDS)*.

3. If the taxpayer calls in and indicates that a credit on his/her account does not belong to them, research to determine where the credit should be applied. If you perform thorough research but cannot determine where the credit should be applied, follow the below procedures:

If ...	Then ...
You receive authorization from the SSN owner through oral statement or correspondence that the credit does not belong to them; refer to IRM 21.5.8.1(5), <i>Credit Transfers Overview</i> ,	If the credit is less than one year old, prepare Form 2424, <i>Account Adjustment Voucher</i> , to transfer the credit to Unidentified Remittance File (URF). If the credit is more than one year old, prepare Form 8758, <i>Excess Collections File Addition</i> , to transfer credit to Excess Collection.

NOTE: Payments can not be transferred to Unidentified Remittance or Excess Collection unless a credit is available.

IRM 5.19.1.9.2 Identity Theft Documentation, updated throughout for clarity. Updated hyperlinks throughout.

1. When a taxpayer claims to be a **victim** of ID Theft, they must provide documentation to the Service to establish that they are an ID Theft victim. This substantiation is accomplished by requiring taxpayers submit certain documentation. This documentation is comprised of the following:

- o A copy of the taxpayer’s valid U.S. federal or state government-issued form of identification.

EXAMPLE: Driver’s license, state identification card, social security card, passport, etc.

- o Evidence of the ID Theft.

EXAMPLE: A copy of a police report or Form 14039, *Identity Theft Affidavit*.

2. Each of the above documents is **required** when requesting abatement or adjustment of tax balances associated with ID Theft and are referenced throughout this subsection.
3. Taxpayers who submit a police report rather than Form 14039, *Identity Theft Affidavit*, must also provide an explanation of how the ID Theft is affecting their tax records.
4. Taxpayers who previously submitted the above ID Theft documentation to the Service have already substantiated their ID Theft.

NOTE: A TC 971 AC 501 indicates the documentation was received and adjustments made (if required). A TC 971 AC 522 indicates only that the documentation has been received.

5. To determine if the taxpayer needs to furnish ID Theft documentation, review their account and follow the chart below:

If ...	Then ...
TC 971 AC 501 with source code "INCOME", "MULTFL", "INCMUL", etc., or if only a TC 971 AC 522 (Pending Claim) is present,	The taxpayer does not need to provide new documentation. NOTE: Substantiation documentation is valid for an incident for a period of three years from the date it is received and processed by the IRS. If the taxpayer experiences an ID Theft incident after that time frame, the taxpayer will need to submit new substantiation documentation.
TC 971 AC 501 or AC 522 (Pending Claim) is not present; the taxpayer indicates they sent ID Theft documents previously,	Research AMS/IDRS for any indication the taxpayer's correspondence has been received, (i.e. CIS print, correspondence control on IDRS) that has not been identified as ID Theft documents. If there is no indication any documentation has been received, inform the taxpayer he/she must provide documentation in order to consider their ID Theft claim.
TC 971 AC 501 or AC 522 is not present; the taxpayer indicates they never sent ID Theft documentation,	The taxpayer must provide documentation. NOTE: If "IRSID" is present, there would be a TC 971 AC 506 or TC 971 AC 522 "IRSID"; then no documents are required from taxpayer.

6. Do not apply the TC 971 AC 522 "PNDCLM" or "IRSID" to the SSN of a taxpayer when an ITIN taxpayer reports the misuse of the SSN. See IRM 10.5.3.2.10(1)(d), *Closing Taxpayer Initiated Identity Theft Affecting Tax Administration - TC 971 AC 501, Documentation Provided*.

EXAMPLE: In the course of performing an audit, the employee identifies an ITIN taxpayer has been working under the SSN belonging to another individual. The SSN owner is unaware of the misuse of his SSN. Do not apply the TC 971 AC 522 to the commonly used SSN.

IRM 5.19.1.9.2.1 Identity Theft Documentation Processing, updated throughout for clarity. Updated hyperlinks throughout.

1. Beginning January 1, 2012, TC 971 AC 522 will also require the input of an appropriate source code and secondary date. This will enable the IRS to flag accounts at different stages of processing, from initial ID Theft claim to closure, dependent upon case specifics.

NOTE: Once the function is made aware that the taxpayer is a possible victim of ID Theft, they will be responsible for checking to see if there is an open control. If there is, the tax examiner will contact that employee to verify they are working the ID Theft issue. If the case is being worked by the controlling area and it has no impact on your compliance case – work the case as you normally would.

2. Use the following directions when processing ID Theft issues:

If ...	And ...	Then ...
The taxpayer makes a claim of ID Theft,	<p>Has not provided:</p> <ul style="list-style-type: none"> • A copy of the U.S. Federal or State issued form of identification (i.e. driver's license, state identification card, social security card and passport). • A copy of a police report or IRS Affidavit Form 14039, <i>Identity Theft Affidavit</i>. <p>NOTE: For more information on required documentation see IRM 10.5.3.2.1, <i>Identity Theft and</i></p>	<ol style="list-style-type: none"> 1. Input TC 971 AC 522 containing the miscellaneous field "PNDCLM" and input the tax year of the IDT incident into the secondary date field. 2. Phone or TAC operations should verbally advise the taxpayer to submit the required documentation and provide the appropriate address. (See IRM 5.19.1.9, <i>Identity Theft - Overview</i>.) 3. Paper operations should send a letter to the taxpayer and request they provide the required documentation. 4. Document AMS.

	<i>Substantiation Documentation.</i>	
The taxpayer makes a claim of ID Theft,	Has provided required ID Theft documentation as described in IRM 10.5.3.2.1, <i>Identity Theft and Substantiation Documentation.</i>	<ol style="list-style-type: none"> 1. Input TC 971 AC 522 with miscellaneous field "NOFR", "INCOME", "MULTFL" or "INCMUL". 2. Document AMS. 3. Follow procedures in IRM 5.19.1.9.2, <i>Identity Theft Documentation</i>, for processing the account. <p>W&I Balance Due Accounts: W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator.</p> <p>SB/SE CSCO Accounts:</p> <ol style="list-style-type: none"> a. In order to prevent any enforcement actions, input a TC 470 only. b. Prepare the Form 4442, <i>Inquiry Referral</i>, and submit to the CSCO ID Theft Coordinator. <p>NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, <i>Inquiry Referral</i>, prior to submitting to the CSCO ID Theft Coordinator.</p> <p style="text-align: right;">SB/SE CSCOIDTheft Liaison: Follow IRM</p>

		5.1.12.2.2, <i>Identity Theft Case Resolution</i> , for processing ID Theft accounts.
The taxpayer makes a claim of ID Theft,	Has provided required documentation as described in IRM 10.5.3.2.1, <i>Identity Theft and Substantiation Documentation</i> , and all corrective action to resolve the ID Theft issue has been taken and you are closing the case in your function.	<ol style="list-style-type: none"> 1. Input TC 971 AC 501 with miscellaneous field "NOFR", "INCOME", "MULTFL" or "INCMUL". 2. Update taxpayer's module(s) with the appropriate closing code. 3. Advise taxpayer in writing the issue has been resolved, use Letter 239C, <i>TIN-Related Problem Resolution</i>. If necessary, use an open paragraph to inform the taxpayer their ID Theft issue has been resolved. Include information for any other unresolved balances. 4. Complete Form 9409, <i>IRS/SSA Wages Worksheet</i>, as appropriate for wage income only and send to SSA. 5. Update AMS to show invalid income sources and Form 9409, <i>IRS/SSA Wages Worksheet</i>, sent to SSA.
Taxpayer makes a claim of ID Theft,	There is a posted unreversed TC 971 AC 501 or AC 506.	<ol style="list-style-type: none"> 1. Taxpayer is not required to provide substantiation documentation. 2. Input TC 971 AC 522 with miscellaneous field "NODCRQ". 3. Input TC 971 AC 522 with miscellaneous field "PNDCLM" and input the tax year of the new IDT incident into the secondary date field. <p>NOTE: Two TC 971 AC 522 must be input, one for each miscellaneous code described above, if the taxpayer is coming back in due to a new issue that has occurred since</p>

		the TC 971 AC 501 or AC 506 has been input.
--	--	---

NOTE: Incomplete or illegible documents will be returned to the taxpayer with a request to resubmit clear, complete information. Advise the taxpayer to respond within 30 days to avoid processing delays. IRS will mark taxpayer accounts upon receipt of complete and legible documents. This action marks the account to reflect the Service received the documents.

Additional research is required to substantiate an ID Theft incident actually occurred. The assigned function will perform in-depth account research to rule out a mixed entity or scrambled situation as detailed in IRM 21.6.2.4.2.3, *Preliminary Research*.

3. If an active levy:

For ACS/ACSS Employees:

- a. When the taxpayer contact claims to be a victim of ID Theft and documentation **has not been received**, a levy release is not warranted unless there is a hardship situation. On ACS, ensure account is in K5/M5 inventory.
- b. When the taxpayer contact claims to be a victim of ID Theft and documentation **has been received**, the levy should be released only for the tax modules affected by the ID Theft.
- c. Follow IRM 5.19.4.4.10, *Levy Release: General Information*, for full and partial levy release procedures.

For Employees without access to ACS:

- b. When the taxpayer contact claims to be a victim of ID Theft and documentation **has not been received**, a levy release is not warranted unless there is a hardship situation.
- c. When the taxpayer contact claims to be a victim of ID Theft and documentation **has been received**, the levy should be released only for the tax modules affected by the ID Theft.
- d. If a levy release is warranted, fax Form 14394 , *Identity Theft/Return Preparer Misconduct Case Collection Alert*, to the appropriate ACSS ID Theft/ITAR Coordinator. Be sure to provide supporting documentation, including documenting the tax module(s) affected by the ID Theft. See SERP; Who/Where; ID Theft/ITAR Coordinator .

NOTE: Consider a release of a levy based on prior indication of ID Theft TC 971 AC 501 or AC 506 on IDRS.

4. Input appropriate TC 971 AC 5XX on CC ENMOD as described below. Use CC REQ77 for this input.

5. TC 971 AC 522 input contains a miscellaneous field that must be completed consisting of the following:
 - a. BOD/Function, for example, "WI" or "SBSE".
 - b. Program Name, for example, "ACS" or "CSCO".
 - c. Tax Administration Source, select the appropriate source of the ID Theft from the following list:

Term/Acronym	Description
"INCOME"	ID Theft identified and substantiated due to an underreporting of income.
"MULTFL"	ID Theft identified and substantiated due to two or more tax returns filed for one taxpayer.
"INCMUL"	ID Theft identified and substantiated due to both underreporting of income and multiple filings.
"NOFR"	Substantiated ID Theft incidents where the victim does not have a filing requirement.
"OTHER"	ID Theft which cannot be identified as related to any existing Tax Administration Source types.

EXAMPLE: "MISC>WI ACS INCOME"

6. When inputting the required information, the TRANS-DT> - field on the CC FRM77 input screen will automatically populate with the date of input.
7. The 971 AC 522 input also contains a secondary date field used to identify the tax year at issue. Complete this field by inputting the year associated with the ID Theft. Use "MMDDYYYY" format.

EXAMPLE: "SECONDARY -DT>12312006"

NOTE: If more than one year is involved, input a separate TC 971 AC 522 for each tax year related with the ID Theft incident.

8. Use TC 972 in the event the TC 971 needs to be reversed. The TC 972 contains a miscellaneous field that must be completed including the reason for the reversal. Select the appropriate reason for the reversal from the following list:

Abbreviation for Entry	Description
"TPRQ"	Taxpayer request
"IRSERR"	Keying or other internal mistake
"IRSADM"	Internally identified negative impact
"FALSE"	Fraudulent ID Theft claim
"OTHER"	Does not meet any of the descriptions above

EXAMPLE: "MISC>WI ACS TPRQ".

9. **Term/Acronym:**

Term/Acronym	Description	Secondary Date Field
<p>"PNDCLM" (Pending Claim of ID Theft)</p>	<p>The taxpayer makes a claim of ID Theft. The taxpayer has not yet provided supporting documentation as required by IRM 10.5.3.2.1, <i>Identity Theft and Substantiation Documentation</i>.</p>	<p>Reflects the tax year of the ID Theft incident.</p>
<p>"NODCRQ" (No Documentation Required from the Taxpayer)</p>	<p>The taxpayer alleges ID Theft and the following conditions exist:</p> <ol style="list-style-type: none"> 1. There is a posted/unreversed TC 971 AC 501/AC 506 or TC 971 AC 522 Source Code "INCOME", "MULTFL", "INCMUL", "NOFR" or "OTHER" and, 2. The posted transaction falls within the three year period as described in IRM 10.5.3.2.1, <i>Identity Theft and Substantiation Documentation</i>. 3. The claim relates to a previously reported incident as described in IRM 10.5.3.2.1, <i>Identity Theft and Substantiation Documentation</i>. 	<p>Reflects the tax year of the ID Theft incident.</p>
<p>Acceptable Documentation Received from the Taxpayer:</p> <ul style="list-style-type: none"> • "INCOME" (Reported under 	<p>Available for use by all employees upon receipt of complete/legible documentation per IRM 10.5.3.2.1, <i>Identity Theft and Substantiation</i></p>	<p>Reflects the tax year of the ID Theft incident.</p>

<p>TP's SSN without their consent or knowledge)</p> <ul style="list-style-type: none"> • "MULTFL" (Two or more returns filed for the same tax period under the same SSN) • "INCMUL" (Both income reporting and multiple filings apply) • "NOFR" (Victim is not required to file a tax return) • "OTHER" (Situation does not relate to any existing Tax Administration Source types) 	<p><i>Documentation.</i></p> <p>NOTE: The following elements as applicable to document type must be clear and easily read:</p> <ul style="list-style-type: none"> • Taxpayer's name, • Date of birth, • Place of birth, • Address, • Date of issue, • Expiration date, and • Any identifying numbers (passport number, driver's license number etc.). 	
<p>IRS Identified ID Theft – TC 971 AC 506</p> <p>Beginning January 1, 2012, the following functions will be granted the authority to close accounts as IRS identified ID Theft using TC 971 AC 506:</p> <ul style="list-style-type: none"> • CSCO, and • ACS/ACSS. 	<p>In situations where the IRS suspects ID Theft may have occurred, employees will mark accounts, using CC REQ77 initiated from CC ENMOD . Service employees will input a TC 971 AC 522 containing the Miscellaneous Field "IRSID".</p>	<p>The Secondary Date field will reflect the tax year of the incident.</p> <p>NOTE: FY 2012 programming for "IRSID" was not completed for all functions. Functions needing "IRSID" that are not profiled for that Tax Administration Source Code will mark accounts using "BOD: PPDS", Program "OPIP" and Tax Administration Source Code "IRSID" until</p>

		programming is completed.
--	--	---------------------------

10. TC 972 AC 522 Source Codes

Term / Acronym	Description	Secondary Date Field
"NOIDT" — ID Theft has NOT occurred,	In the course of resolving an ID Theft issue, the employee assigned determines no ID Theft occurred.	Will match the year of the TC 971 AC 522 "PNDCLM" or TC 971 AC 522 "IRSID" as applicable.
"NORPLY" — The taxpayer did not provide supporting documents,	This code is used to close a suspended case when the taxpayer fails to provide the requested supporting documentation within the time specified by the employee assigned.	Will match the tax year of the TC 971 AC 522 "PNDCLM".

IRM 5.19.1.9.3 Identity Theft Balance Due Return (TC 150) Not Resulting From Additional Assessment, updated throughout for clarity. Updated hyperlinks throughout.

1. IRM 5.19.1.9.2.1, *Identity Theft Documentation Processing*, outlines the TC 971 AC 522 source code and secondary date that is to be input on the account at different stages of process from initial ID Theft claim to closure dependent upon case specifics.
2. Determine if the ID Theft is related to the tax year with the balance due:
 - a. Check the Alerts section of AMS to see if there is an open CIS control for ID Theft. If so, do not ask the taxpayer to submit documentation per the instructions below. Instead, follow IRM 5.19.1.9.2, *Identity Theft Documentation*. If there is no open CIS control for ID Theft, then follow (b)-(d) and the table below.
 - b. If not, advise the taxpayer to mail or fax the ID Theft documentation referenced in IRM 5.19.1.9.2, *Identity Theft Documentation*.
 - c. If a TC 971 AC 522 "PNDCLM" does not already exist for the tax year in question, input TC 971 AC 522 "PNDCLM", and
 - d. Use the following chart:

If ...	And ...	Then ...
The taxpayer faxes in ID	The documentation	ACS Call sites – Forward/Fax documents received to ACSS IDT Coordinator.

<p>Theft documentation or the documentation is received via mail and it is complete and legible,</p>	<p>verifies/supports their ID Theft claim and will eliminate the entire balance due,</p>	<ul style="list-style-type: none"> • For ACS cases: W&I – Reassign "TOM5,60,IDTADJ" SB/SE-Reassign "TOK5,60,IDTADJ" • For Non ACS Cases: Input CC STAUP 2209. <p>Document AMS with actions taken.</p> <p>ACSS Specialized Teams – Follow account adjustment procedures in:</p> <ul style="list-style-type: none"> • IRM 21.5, <i>Account Resolution</i>, • IRM 21.6, <i>Individual Tax Returns</i>, • IRM 21.7, <i>Business Tax Returns and Non-Master File Accounts</i>, • Exhibit 5.19.1-17, <i>TC 150 Back Out Procedures</i>, • Exhibit 5.19.1-18, <i>ADJ 54</i>, • Exhibit 5.19.1-20, <i>Moving Refunds</i>, or • IRM 5.19.6.25.3, <i>Processing Identity Theft Correspondence</i>.
<p>The taxpayer faxes in ID Theft documentation or the documentation is received via mail and it is complete and legible,</p>	<p>The documentation verifies/supports their ID Theft claim but will not eliminate the entire balance due,</p>	<p>ACS Call sites – Forward/Fax documents received to ACS Support IDT Coordinator.</p> <ul style="list-style-type: none"> • For ACS cases: W&I – Reassign "TOM5,60,IDTADJ" SB/SE-Reassign "TOK5,60,IDTADJ" • For W&I Balance Due Notice Status Cases: W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator. • For SB/SE Notice Status Cases: Forward/Fax to CSCO IDT Coordinator. <p>Document AMS with actions taken.</p> <p>ACSS Specialized Teams – Follow account adjustment</p>

		<p>procedures in:</p> <ul style="list-style-type: none"> • IRM 21.5, <i>Account Resolution</i>, • IRM 21.6, <i>Individual Tax Returns</i>, • IRM 21.7, <i>Business Tax Returns and Non-Master File Accounts</i>, • Exhibit 5.19.1-17, <i>TC 150 Back Out Procedures</i>, • Exhibit 5.19.1-18, <i>ADJ 54</i>, • Exhibit 5.19.1-20, <i>Moving Refunds</i>, or • IRM 5.19.6.25.3, <i>Processing Identity Theft Correspondence</i>. • All accounts –Document AMS with actions taken. • Contact the taxpayer informing of the remaining balance due. • Continue with collection activity.
The taxpayer faxes in ID Theft documentation or the documentation is received via mail and it is complete and legible,	The documentation does not support their ID Theft claim,	<ul style="list-style-type: none"> • Inform the taxpayer why the documentation does not support their claim of ID Theft. • If the taxpayer will be submitting the required documents, input history code with a parameter of 30 days past the deadline date. 60 days past the deadline date on international cases. <p>W&I - "TOM5,XX,DOCREQ"</p> <p>SB/SE – "TOK5,XX,DOCREQ"</p> <ul style="list-style-type: none"> • If the taxpayer drops the ID Theft claim continue, with collection activity and take next appropriate action. • Input TC 972 AC 522 "NOIDT" if the taxpayer does not support the claim or drops the claim. • All accounts –Document AMS with actions taken. • Contact the taxpayer informing of the remaining balance due. • Continue with collection activity.
The taxpayer wants to mail ID Theft documentation	Intentionally Left Blank	<ul style="list-style-type: none"> • For ACS (including International) Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. Provide ACSS address to taxpayer per http://serp.enterprise.irs.gov/databases/who-where.dr/acsspt-lias.dr/ac-support.htm. 3. Warn of enforcement action. See IRM 5.19.1.8, <i>Warning of Enforcement Action and Enforced Collection</i>.

		<p>4. Input history code with a parameter of 30 days past the deadline date. 60 days past the deadline date on international cases.</p> <p>W&I - "TOM5,XX,DOCREQ"</p> <p>SB/SE – "TOK5,XX,DOCREQ"</p> <ul style="list-style-type: none"> • For Non-ACS Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. Input CC STAUP 2209. 3. * International – Provide Philadelphia address on SERP . 4. Warn of enforcement action. See IRM 5.19.1.8, <i>Warning of Enforcement Action and Enforced Collection</i>. 5. W&I Balance Due Accounts – W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator. <p>SB/SE CSCO Accounts —</p> <ol style="list-style-type: none"> a. In order to prevent any enforcement actions, input a TC 470 only. b. Prepare the Form 4442, <i>Inquiry Referral</i>, and submit to the CSCO ID Theft Liaison. <p>NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, <i>Inquiry Referral</i>, prior to submitting to the CSCO ID Theft Liaison.</p> <p>SB/SE CSCO ID Theft Liaison - Follow IRM 5.1.12.2.2, <i>Identity Theft Case Resolution</i>, for processing ID Theft accounts.</p> <p>NOTE: International accounts are identified by File Location Codes (FLC) 20, 21, 60, 66, 78 and 98. FLC 21, 66, and 78</p>
--	--	--

		<p>contain all returns with a U.S. possession or territory address with a 5-digit ZIP Code (Form 1040-PR , <i>Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia</i>, or Form 1040-SS , <i>U.S. Self-Employment Tax Return</i>) which include Puerto Rico, American Samoa, Guam, U.S. Virgin Islands and the Commonwealth of the Northern Marianna Islands.</p> <p>FLC 20, 60, and 98 are used for returns with:</p> <ul style="list-style-type: none"> • A foreign address • Form 2555 , <i>Foreign Earned Income</i>, or Form 2555-EZ , <i>Foreign Earned Income Exclusion</i>. • Form 1042-S , <i>Foreign Person's U.S. Source Income Subject to Withholding</i>, Form SSA 1042-S, <i>Social Security Benefit Statement</i>, Form 8805 , <i>Foreign Partner's Information Statement of Section 1446 Withholding Tax</i>, or Form 8288-A , <i>Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests</i>. • Dual Status Notification • Form 1040NR , <i>U.S. Nonresident Alien Income Tax Return</i>, or Form 1040NR –EZ , <i>U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents</i>. <p>CAUTION: Do not assume that an account is International just because you have received Spanish correspondence. Ensure that the above criteria is met.</p>
--	--	---

IRM 5.19.1.9.4 Identity Theft Automated Underreporter (AUR), updated throughout for clarity. Updated hyperlinks throughout.

1. The AUR program matches taxpayer income and deductions submitted by third parties such as banks, brokerage firms, and other payers on information returns, such as Form 1099 and Form W-2, *Wage and Tax Statement*, against amounts reported on individual income tax returns.
2. The assessment is a TC 290 preceded by a TC 922. The originating campus may be determined from the address in the upper left corner of the CP 2000, *Notice of Proposed Adjustment for Unreported Income, Payments, or Credits*, if available, or from the first two digits of the TC 922 DLN.
3. When the taxpayer disputes the AUR assessment on the basis of ID Theft,:

- a. Check the Alerts section of AMS to see if there is an open CIS control for ID Theft. If so, prepare Form 4442, *Inquiry Referral*, documenting that the ID Theft documentation is on CIS. Forward to the ITAR Liaison for AUR.
- b. If not, advise the taxpayer to mail or fax the ID Theft documentation referenced in IRM 5.19.1.9.2, *Identity Theft Documentation*.
- c. If a TC 971 AC 522 "PNDCLM" does not already exist for the tax year in question, input TC 971 AC 522 "PNDCLM", and
- d. Use the following chart:

If ...	Then ...
<p>The taxpayer faxes ID Theft documentation or documentation is received via mail and it is complete and legible,</p>	<p>ACS Call sites – Forward/Fax documents received to ACSS IDT Coordinator.</p> <p>Document AMS with actions taken.</p> <ul style="list-style-type: none"> • For ACS cases: W&I – Reassign "TOM5,60,DTADJ" <p style="padding-left: 40px;">SB/SE-Reassign "TOK5,60,DTADJ"</p> • For W&I Balance Due Accounts: Forward/Fax documents to Fresno ACSS IDT Coordinator. • SB/SE CSCO Accounts — <ul style="list-style-type: none"> ○ In order to prevent any enforcement actions, input a TC 470 only. ○ Prepare the Form 4442, <i>Inquiry Referral</i>, and submit to the CSCO ID Theft Liaison. <p>NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, <i>Inquiry Referral</i>, prior to submitting to the CSCO ID Theft Liaison.</p> <ul style="list-style-type: none"> • SB/SE CSCO ID Theft Liaison - Follow IRM 5.1.12.2.2, <i>Identity Theft Case Resolution</i>, for processing ID Theft accounts.
<p>TP wants to mail ID Theft documentation,</p>	<ul style="list-style-type: none"> • For ACS (including International) Cases: <ol style="list-style-type: none"> 1. Document AMS. 2. Provide ACSS address to taxpayer per http://serp.enterprise.irs.gov/databases/who-where.dr/acsspt-lias.dr/acs-support.htm.

3. Warn of enforcement action. See IRM 5.19.1.8, *Warning of Enforcement Action and Enforced Collection*.
4. Input history code with a parameter of 30 days past the deadline date. 60 days past the deadline date on international cases
W&I - "TOM5,XX,DOCREQ"
SB/SE – "TOK5,XX,DOCREQ"

- **For Non-ACS Cases:**

1. Document AMS with actions taken.
2. * International – Provide Philadelphia address on SERP .
3. Warn of enforcement action. See IRM 5.19.1.8, *Warning of Enforcement Action and Enforced Collection*.
4. **W&I Balance Due Accounts** –
W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator.

SB/SE CSCO Accounts —

- a. In order to prevent any enforcement actions, input a TC 470 only.
- b. Prepare the Form 4442, *Inquiry Referral*, and submit to the CSCO ID Theft Liaison.

NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, *Inquiry Referral*, prior to submitting to the CSCO ID Theft Liaison.

SB/SE CSCO ID Theft Liaison -
Follow IRM 5.1.12.2.2, *Identity Theft Case Resolution*, for processing ID Theft accounts.

NOTE: International accounts are identified by File Location Codes (FLC) 20, 21, 60, 66, 78 and 98. FLC 21, 66, and 78 contain all returns with a U.S. possession

	<p>or territory address with a 5-digit ZIP Code (Form 1040-PR , <i>Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia</i>, or Form 1040-SS , <i>U.S. Self-Employment Tax Return</i>) which include Puerto Rico, American Samoa, Guam, U.S. Virgin Islands and the Commonwealth of the Northern Marianna Islands.</p> <p>FLC 20, 60, and 98 are used for returns with:</p> <ul style="list-style-type: none"> • A foreign address • Form 2555 , <i>Foreign Earned Income</i>, or Form 2555-EZ , <i>Foreign Earned Income Exclusion</i>. • Form 1042-S , <i>Foreign Person's U.S. Source Income Subject to Withholding</i>, Form SSA 1042-S, <i>Social Security Benefit Statement</i>, Form 8805 , <i>Foreign Partner's Information Statement of Section 1446 Withholding Tax</i>, or Form 8288-A , <i>Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests</i>. • Dual Status Notification • Form 1040NR , <i>U.S. Nonresident Alien Income Tax Return</i>, or Form 1040NR –EZ , <i>U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents</i>. <p>CAUTION: Do not assume that an account is International just because you have received Spanish correspondence. Ensure that the above criteria is met.</p>
--	--

4. If the Taxpayer requests a copy of the CP 2000, *Notice of Proposed Adjustment for Unreported Income, Payments, or Credits*, follow procedures in IRM 21.3.1.4.61, *Underreporter Letters*.
5. If the taxpayer requests copies of Information Reporting Program (IRP) Documents, send CC IRPTR W transcripts via TDS or IAT tool.

IRM 5.19.1.9.5 Identity Theft Automated Substitute for Return (ASFR) and Substitute for Return (SFR), updated throughout for clarity. Updated hyperlinks throughout.

1. The ASFR (Compliance) and SFR (Examination) programs enforce filing compliance. These programs notify taxpayers not filing individual income tax

returns and potentially owe a significant income tax liability by mail. These programs determine and assess the correct tax liability by computing tax, penalties and interest, based on Information Reporting Program (IRP) information submitted by payers, combined with other internally available information.

2. To determine if the assessment is an ASFR or SFR, refer to pertinent criteria for these programs

IRM 5.19.1.3.3.2(2), *Adjusting Tax for a Balance Due*

3. When the taxpayer disputes the ASFR or SFR assessment on the basis of ID Theft:
 - a. Check the Alerts section of AMS to see if there is an open CIS control for ID Theft. If so, prepare Form 4442, *Inquiry Referral*, documenting that the ID Theft documentation is on CIS. Forward to the ITAR Liaison for ASFR or SFR.
 - b. If not, advise the taxpayer to mail or fax the ID Theft documentation referenced in IRM 5.19.1.9.2, *Identity Theft Documentation*.
 - c. If a TC 971 AC 522 "PNDCLM" does not already exist for the tax year in question, input TC 971 AC 522 "PNDCLM", and
 - d. Use the following chart:

If ...	Then ...
<p>The taxpayer faxes ID Theft documentation or documentation is received via mail and it is complete and legible</p>	<ul style="list-style-type: none"> • Fax the case to the ITAR Liaison for ASFR or SFR via Form 4442, <i>Inquiry Referral</i>, and attach ID Theft documentation. On line 5 of the Form 4442, <i>Inquiry Referral</i>, (Referring To) indicate ID Theft. <p>EXAMPLE: ASFR-ID Theft; SFR-ID Theft</p> <ul style="list-style-type: none"> • See SERP, "Who/Where" tab, ITAR Liaisons to identify the correct liaison. Select the appropriate campus under: W&I – W&I CSCO SB/SE – SB/SE ASFR <p>ACS Call sites – Forward/Fax documents received to ACSS IDT Coordinator.</p> <p>Document AMS with actions taken.</p> <ul style="list-style-type: none"> • For ACS Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken.

	<p>2. W&I Reassign "TOM6,60,IDTASFR" or "IDTSFR" SB/SE Reassign "TOK6,60,IDTASFR" or "IDTSFR"</p> <ul style="list-style-type: none"> • For Non-ACS Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. W&I Balance Due Accounts – W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator. <p style="text-align: center;">SB/SE CSCO Accounts Only -</p> <ul style="list-style-type: none"> ▪ In order to prevent any enforcement actions, input a TC 470 only. ▪ Prepare the Form 4442, <i>Inquiry Referral</i>, and submit to the CSCO ID Theft Liaison. <p>NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, <i>Inquiry Referral</i>, prior to submitting to the CSCO ID Theft Liaison.</p> <p style="text-align: center;">SB/SE CSCO ID Theft Liaison - Follow IRM 5.1.12.2.2, <i>Identity Theft Case Resolution</i>, for processing ID Theft accounts.</p>
The taxpayer wants to mail ID Theft documentation	<ul style="list-style-type: none"> • For ACS (including International) Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. Provide ACSS address to taxpayer per http://serp.enterprise.irs.gov/databases/who-where.dr/acsspt-lias.dr/ac-support.htm. 3. Warn of enforcement action. See IRM 5.19.1.8, <i>Warning of Enforcement Action and Enforced Collection</i>. 4. Input history code with a parameter of 30 days past the deadline date. 60 days past the deadline date on international cases

W&I - "TOM5,XX,DOCREQ"
SB/SE - "TOK5,XX,DOCREQ"

- **For Non-ACS Cases:**

1. Document AMS with actions taken.
2. * International – Provide Philadelphia address on SERP .
3. Warn of enforcement action. See IRM 5.19.1.8, *Warning of Enforcement Action and Enforced Collection*.
4. **W&I Balance Due Accounts –**
W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator.

SB/SE CSCO Accounts —

- a. In order to prevent any enforcement actions, input a TC 470 only.
- b. Prepare the Form 4442, *Inquiry Referral*, and submit to the CSCO ID Theft Liaison.

NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, *Inquiry Referral*, prior to submitting to the CSCO ID Theft Liaison.

SB/SE CSCO ID Theft Liaison – Follow IRM 5.1.12.2.2, *Identity Theft Case Resolution*, for processing ID Theft accounts.

NOTE: International accounts are identified by File Location Codes (FLC) 20, 21, 60, 66, 78 and 98. FLC 21, 66, and 78 contain all returns with a U.S. possession or territory address with a 5-digit ZIP Code (Form 1040-PR , *Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia*, or Form 1040-SS , *U.S. Self-Employment Tax Return*) which include Puerto Rico, American Samoa, Guam, U.S. Virgin Islands and the Commonwealth of the Northern Marianna Islands.

	<p>FLC 20, 60, and 98 are used for returns with:</p> <ul style="list-style-type: none"> • A foreign address • Form 2555 , <i>Foreign Earned Income</i>, or Form 2555-EZ , <i>Foreign Earned Income Exclusion</i>. • Form 1042-S , <i>Foreign Person’s U.S. Source Income Subject to Withholding</i>, Form SSA 1042-S, <i>Social Security Benefit Statement</i>, Form 8805 , <i>Foreign Partner's Information Statement of Section 1446 Withholding Tax</i>, or Form 8288-A , <i>Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests</i>. • Dual Status Notification. • Form 1040NR , <i>U.S. Nonresident Alien Income Tax Return</i>, or Form 1040NR –EZ , <i>U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents</i>. <p>CAUTION: Do not assume that an account is International just because you have received Spanish correspondence. Ensure that the above criteria is met.</p>
--	--

4. If the taxpayer requests a copy of the return and supporting documents:
 - a. **ASFR:** Advise the taxpayer to contact ASFR and provide them the appropriate address per IRM 5.18.1.10.2.1.6, *ASFR Reconsideration Procedures*.
 - b. **SFR:** Follow procedures outlined in IRM 21.5.10.4.4, *Copies of Audit Reports*.

5. If the taxpayer requests copies of forms, refer them to: <http://www.irs.gov/> , Forms and Publications link.

IRM 5.19.1.9.6 Identity Theft Examination Assessments, updated throughout for clarity. Updated hyperlinks throughout.

1. The following procedures apply to closed examinations (TC 300) where the disputed assessment relates to ID Theft issues only. If the disputed assessment involves issues other than ID Theft, see IRM 4.13.2.3, *Role of Contact Employee*

when Reconsideration Request Received and the Examination was Performed in the Area Office or Campus Examination Function.

2. When the taxpayer disputes the examination assessment on the basis of ID Theft:
 - a. Check the Alerts section of AMS to see if there is an open CIS control for ID Theft. If so, prepare Form 4442, *Inquiry Referral*, documenting that the ID Theft documentation is on CIS. Forward the Form 4442, *Inquiry Referral*, to the Examination ITAR Liaison.
 - b. If not, advise the taxpayer to mail or fax the ID Theft documentation referenced in IRM 5.19.1.9.2, *Identity Theft Documentation*.
 - c. If a TC 971 AC 522 "PNDCLM" does not already exist for the tax year in question, input TC 971 AC 522 "PNDCLM", and
 - d. Use the following chart:

If ...	Then ...
<p>The taxpayer faxes ID Theft documentation or documentation is received via mail and it is complete and legible</p>	<ul style="list-style-type: none"> • Fax the case to the ITAR Liaison for Examination via Form 4442, <i>Inquiry Referral</i>, and attach ID Theft documentation. On line 5 of the Form 4442, <i>Inquiry Referral</i>, (Referring To) indicate ID Theft. <p style="margin-left: 40px;">EXAMPLE: Exam-ID Theft</p> <ul style="list-style-type: none"> • See SERP ; "Who/Where" tab; ITAR Liaisons to identify the correct liaison. Select the appropriate campus under: W&I – W&I Examination SB/SE – SBSE Examination <p style="margin-left: 40px;">ACS Call sites – Forward/Fax documents to Fresno ACSS IDT Coordinator. Document AMS with actions taken.</p> <ul style="list-style-type: none"> • For ACS Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. W&I Reassign "TOM8,60,IDTEXAM" SB/SE Reassign "TOK8,60,IDTEXAM" • For Non-ACS Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. W&I Balance Due Accounts – W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax

	<p>documents to Fresno ACSS IDT Coordinator.</p> <p>SB/SE CSCO Accounts —</p> <ol style="list-style-type: none"> a. In order to prevent any enforcement actions, input a TC 470 only. b. Prepare the Form 4442, <i>Inquiry Referral</i>, and submit to the CSCO ID Theft Liaison. <p>NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, <i>Inquiry Referral</i>, prior to submitting to the CSCO ID Theft Liaison.</p> <p>SB/SE CSCO ID Theft Liaison – Follow IRM 5.1.12.2.2, <i>Identity Theft Case Resolution</i>, for processing ID Theft accounts.</p>
<p>The taxpayer wants to mail ID Theft documentation</p>	<ul style="list-style-type: none"> • For ACS (including International) Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. Provide ACS Support address to taxpayer per http://serp.enterprise.irs.gov/databases/who-where.dr/acspt-lias.dr/acs-support.htm. 3. Warn of enforcement action. See IRM 5.19.1.8, <i>Warning of Enforcement Action and Enforced Collection</i>. 4. Input history code with a parameter of 30 days past the deadline date. 60 days past the deadline date on international cases. W&I - "TOM5,XX,DOCREQ" SB/SE - "TOK5,XX,DOCREQ" • For Non-ACS Cases: <ol style="list-style-type: none"> 1. Document AMS with actions taken. 2. * International – Provide Philadelphia address on SERP . 3. Warn of enforcement action. See IRM 5.19.1.8, <i>Warning of Enforcement Action and Enforced Collection</i>.

4. **W&I Balance Due Accounts –**
W&I CSCO does not work Balance Due ID Theft accounts. They are forwarded to ACSS for processing. Forward/Fax documents to Fresno ACSS IDT Coordinator.

SB/SE CSCO Accounts —

- a. In order to prevent any enforcement actions, input a TC 470 only.
- b. Prepare the Form 4442, *Inquiry Referral*, and submit to the CSCO ID Theft Liaison.

NOTE: If the case is to be referred to Exam, AUR, etc... notate that on the Form 4442, *Inquiry Referral*, prior to submitting to the CSCO ID Theft Liaison.

SB/SE CSCO ID Theft Liaison - Follow
IRM 5.1.12.2.2, *Identity Theft Case Resolution*, for processing ID Theft accounts.

NOTE: International accounts are identified by File Location Codes (FLC) 20, 21, 60, 66, 78 and 98. FLC 21, 66, and 78 contain all returns with a U.S. possession or territory address with a 5-digit ZIP Code (Form 1040-PR , *Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia*, or Form 1040-SS , *U.S. Self-Employment Tax Return*) which include Puerto Rico, American Samoa, Guam, U.S. Virgin Islands and the Commonwealth of the Northern Marianna Islands.

FLC 20, 60, and 98 are used for returns with:

- A foreign address
- Form 2555 , *Foreign Earned Income*, or Form 2555-EZ , *Foreign Earned Income Exclusion*.

	<ul style="list-style-type: none"> • Form 1042-S , <i>Foreign Person’s U.S. Source Income Subject to Withholding</i>, Form SSA 1042-S, <i>Social Security Benefit Statement</i>, Form 8805 , <i>Foreign Partner's Information Statement of Section 1446 Withholding Tax</i>, or Form 8288-A , <i>Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests</i>. • Dual Status Notification • Form 1040NR , <i>U.S. Nonresident Alien Income Tax Return</i>, or Form 1040NR –EZ , <i>U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents</i>. <p>CAUTION: Do not assume that an account is International just because you have received Spanish correspondence. Ensure that the above criteria is met.</p>
--	--

3. If the taxpayer requests a copy of the Examination report, follow procedures in IRM 21.5.10.4.4, *Copies of Audit Reports*.