

## INTERIM IRM PROCEDURAL UPDATE

**DATE: 09/16/2013**

**NUMBER: WI-03-0913-1466**

**SUBJECT: Adding Inventory, Filing on the Suspense Wall, Perfecting the W-7, Clerical Stripping, 1040PR, and SEVP**

**AFFECTED IRM(s)/SUBSECTION(s): 3.21.263**

**CHANGE(s):**

### **IRM 3.21.263.4(5) - Added IRM references.**

5. Each Austin SP ITIN employee is responsible for creating a correct product including correcting errors identified in a subsequent handling if incorrect on initial input. See IRM 3.21.263.5.10.4 and see IRM 3.21.263.5.10.5.

**EXAMPLE:** An ITIN tax examiner (TE) working Correspondence inventory has a CP 566 response for a missing signature (S-14). When reviewing the applicant's birth certificate to determine the name of the parents, the CP TE determines the birth certificate is questionable. The CP TE must go into RTS and make the birth certificate invalid. This will generate R 44 status together with S 02, S 14 and S 29.

**REMINDER:** Ensure that the identification documents (ID) in the envelopes belong to the application. If unable to locate an application for the ID in question, refer them to your lead.

### **IRM 3.21.263.5.2.6.2.2(1) - Corrected notice to Form 14433, instructed when to leave attached to the outside of the envelope, and added instructions for flagged work.**

1. Listed below are additional stripping guidelines for the Clerical Unit.

<b>If ...</b>	<b>Then ...</b>
Original supporting identification documentation or copies certified by the issuing agency are attached,	Remove envelope(s) containing the documents and Form 1433 if the application (all applications in a Family Pack) status is Assigned, Rejected (Not R 06), or Suspended for other than QID or W-2 name mismatch issue. Compare the envelope address to

	<p>Form W-7. Forward the unsealed envelope containing the original/certified ID copies to sorting.</p> <p><b>NOTE:</b> Applications in suspense status due to QID or W-2 name mis-match issue are identified by the attachment of Form 14433 to the outside of the envelope. Envelopes containing documents for applications suspended for QID or W-2 name mismatch issue will remain with the application(s) during the suspense period..</p>
Form 9856, Attachment Alert is present,	Detach for routing to Document Retention (Files).
An addressed envelope containing a completed Form 14413 with original or certified copies of ID is present,	Remove envelope containing the original/certified copies of ID and Form 14413. Compare the envelope address to Form W-7. Forward the unsealed envelope to sorting.
A completed Form 14415 is present and attached to an addressed envelope containing an original passport,	Remove envelope containing the original passport. Place completed Form 14415 inside envelope with original passport. Compare the envelope address to Form W-7. Forward the unsealed envelope containing the original passport with Form 14415 to sorting.
Loose Income Substantiating Document(s) are received after the tax return has been released to the pipeline,	Route document(s) to Document Retention (Files).
<p>Check copies for applications with assigned ITIN for the Primary is annotated,</p> <p><b>NOTE:</b> Do not detach if Primary is in Suspense or Reject Status.</p>	<ul style="list-style-type: none"> <li>○ Folder should have a dollar (\$) sign on upper left corner. If missing, annotate.</li> <li>○ Detach for routing to the Accounting Function only if the Primary has been assigned and there is an Accounting DLN on the remittance. If no Accounting DLN, attach copy to the back of tax return.</li> </ul>

Discovered Remittance (Live negotiable check)	Bring remittance and all related forms to a Lead/Manager. The Lead/Manager will complete the appropriate remittance paperwork and then place in designated remittance collection box for processing and routing by the remittance coordinator.
Form W-7 edited as W-7A are present,	Detach for routing to the Adoption Taxpayer Identification Number (ATIN) Unit in Austin at Stop 6182.
Any correspondence flagged for referral is present,	Detach for routing to appropriate areas
A merge action request (i.e., ITIN to ITIN, IRSN to ITIN, or ITIN to SSN) is identified on the stripping cart,	Detach and place in the designated box for merge action requests with a cover sheet.
A state return (including a portion) is still attached, behind the 1040,	<ul style="list-style-type: none"> <li>○ Detach the state return. These returns will be sent to the appropriate state for processing.</li> <li>○ If there is only one copy of Form W-2, Detach from state return and attach to federal.</li> <li>○ Follow Discovered Remittance procedures for live checks.</li> </ul>
Form 8822 ,	Detach and route to Entity for processing (using the Austin Campus Routing Guide)
Form 13350 (Registration for e-services) is attached,  <b>NOTE:</b> An ITIN or "ITIN Reject" must be edited on Form 13350.	Detach and refer to Lead, unless the application is in Suspended status, then it will remain attached. Leads will ensure all Form 13350 are in a designated central location to be retrieved daily by 2:00 p.m. CST by the Electronic Tax Administration (ETA) function. If forms are not retrieved, route to Austin Campus, Mail Stop 1265 - AUSPC, Attn.
Any application contains documents (Form W-7, CP 566, etc.) with different DLNs,	Place the Status sheet for the most current application on top and related sheets behind it.
All Form W-7 applications associated to the same tax return(s) have a final status (Assigned or Rejected) and Form 3471 is attached to the back of	Ensure RPD is edited on Line 4 of each 3471 prior to separating the tax returns. If the Tax Examiner actions were not completed, pull from the batch, complete Tax Examiner Action Sheet, and place on

<p>the tax return(s) that require Form 3471. See IRM 3.21.263.5.10.6.</p> <p><b>REMINDER:</b> Returns not to be processed are stapled to the back of Forms W-7.</p>	<p>your desk for pick-up and correction.</p> <p><b>NOTE:</b> Refile the Family Pack if any applications are still in Suspense status. Form 3471s attached to tax returns being filed to the Suspense wall should not have any annotation on Line 4.</p> <p>Forward any Form W-7(s) in final status with all attachments (copies of ID, etc.) to Document Retention (Files).</p>
<p>Any form that has a daily flag (as determined by local management).</p>	<p>Give to your lead for handling.</p>

**IRM 3.21.263.5.2.8.1(1) - Designated on which side to begin the next row.**

1. The Suspense Wall goes from right to left for filing purposes. When on row is full, then go to the next row, starting back on the right. When one section is full, go to the next section beginning again in the upper right corner. Because files are constantly being added and removed you will eventually need to begin again where the wall originally started. The wall area may need to be expanded if there is not enough room to accommodate new folders.

**IRM 3.21.263.5.3.1(5) - Gave examples of attachments used to perfect Form W-7.**

5. Make every attempt to use the information provided on Form W-7 and attachments to process the application for an ITIN. Review the entire application package. It is the TE's responsibility to:
  - Ensure that all relevant information is captured, and
  - All forms are edited as required, and
  - The application package is correctly reassembled prior to returning it to the batch.

**EXAMPLE:** Information found in attachments that can perfect the Form W-7 include:

- D/S indicated of I-20 or I-94
- College name/length of stay indicated on Form W-8BEN
- Treaty country and article indicated on Form 8233.

**IRM 3.21.263.8.3.1(3) " Tax Return Attached" - Added note and exception for 1040PR processing.**

3. The content of the *Preliminary W-7 Application Data Screen* includes the following:

<b>Preliminary W-7 Application Data Screen Content</b>	<b>Description</b>	<b>Comment</b>
Tax Return Attached?	<p>Select one of the following from the drop down box:</p> <ul style="list-style-type: none"> <li>○ Yes, but attached to the Single</li> <li>○ Yes, but attached to the Family Pack</li> <li>○ No</li> </ul> <p><b>CAUTION:</b> Form 1040NR with entries on any line ( for example only line 22 is completed) should be considered a valid return. Do not reject.</p> <p><b>NOTE:</b> Select "no" If Form 1040PR or 1040SS is attached as these applicants qualify for a SSN. Enter "Form 1040PR" or "Form 1040SS" in the Remarks Screen. Flag the case for the Lead to override and change the R 17 to R 07.</p> <p><b>EXCEPTION:</b> If Form 1040PR or 1040SS is attached, and</p> <ul style="list-style-type: none"> <li>- current address is Puerto Rico, <b>AND</b></li> <li>- SSA denial letter is attached, select the appropriate "yes" as these applicants qualify for an ITIN.</li> </ul>	<p>Select "<b>Yes</b>" if box "c" applies, and multiple returns are attached for the applicant and the date of entry matches at least one of the tax return periods.</p> <p>Select "<b>No</b>" when any of the following conditions apply:</p> <ul style="list-style-type: none"> <li>○ A tax return is not present, or</li> <li>○ The applicant is not listed on an attached tax return, or</li> <li>○ You can not confirm that the person on an attached tax return is the same person on the Form W-7, or</li> <li>○ Box "c" applies and date of entry is after the tax period of attached tax return listing the applicant. Enter in Remarks, "Substantial Presence Test not met per DOE and year of tax return"</li> <li>○ Form W-7 is from the taxpayer filing under the Tax Return Extension Filing temporary</li> </ul>

exception (see IRM 3.21.263.4.6) and all required documents are not present. Update the Remarks Screen to explain what documents are missing for this temporary exception.