

IRM PROCEDURAL UPDATE

DATE: 10/29/2014

NUMBER: WI-21-1014-1538

SUBJECT: RAL/RAC Checks with IDT Involvement

AFFECTED IRM(s)/SUBSECTION(s): 21.4.3.4.4

CHANGE(s):

IRM 21.4.3.4.4(1) Caution - Added information when the refund is in the form of a RAL/RAC and IDT is involved.

1. If the taxpayer calls or sends in a request on how to return his/her refund check, the customer service representative (CSR) or tax examiner at the Campus RI Unit will advise taxpayer to write "void" in the endorsement area on the back of the check. Advise taxpayer to mail the check with a letter of explanation to the issuing campus RI Unit. See the Refund Inquiry Unit Addresses link for the appropriate address. Advise the taxpayer not to write on the front of the check.

CAUTION: Determine if the check is a Refund Anticipation Loan (RAL) or a Refund Anticipation Check (RAC). Do not advise the taxpayer to send RAL or RAC checks to IRS since they were not issued by BFS (formerly FMS). See IRM 21.4.1.4.7.1(7), *Direct Deposit of Refunds*, for guidance on how to determine if a taxpayer received a RAL or RAC check. If the taxpayer states they didn't file the return that resulted in the RAL/RAC, input TC 971 AC 522 and the appropriate IDT tracking code if not already on the account. See IRM 10.5.3.2.5, *Initial Allegation or Suspicion of Tax-Related Identity Theft - Identity Theft Indicators*, for codes and additional information.

Advise the taxpayer to return the check to the FI and request the FI return the refund to IRS through the ACH.

Enter a narrative in AMS with the advice to the taxpayer and reason for it.