

IRM PROCEDURAL UPDATE

DATE: 05/30/2014

NUMBER: WI-03-0514-0941

SUBJECT: Excess Collections Removal of Telephone Contact Tolerance Amount

AFFECTED IRM(s)/SUBSECTION(s): 3.17.220

CHANGE(s):

IRM 3.17.220.1.5(10) Deleted reference to \$100,000 for telephone calls and moved to paren (6).

6. If further information is needed from the taxpayer to resolve the credit, in addition to any letters that may have been issued, a telephone contact with the taxpayer to determine proper disposition of payment or credit must be made or attempted, prior to transferring the credit to XSF.
7. Internet research should be used by all business operated divisions (BOD) in an attempt to locate taxpayers. Several sites (Accurint, Google, SEC, ZABASearch, EDGAR, VIVISIMO and SWITCHBOARD) can be used to locate a phone number or address if one cannot be obtained through IDRS or Directory Assistance.

NOTE: If correspondence or telephone contact was not needed to resolve the credit, notate "**No follow-up action with taxpayer is required.**"

8. Whenever a taxpayer contact via telephone or correspondence is unsuccessful, a transaction code (TC) 971 action code (AC) 296 must be added to the module to indicate that the account has been thoroughly researched [Xref taxpayer identification number (TIN)] and any other account module) prior to the transfer to the XSF. TC 971 AC 296 is a final audit trail that indicates that all available research sources have been used.

NOTE: The TC 971 AC 296 will let other IDRS users know that all research of the primary and related TINS have been thoroughly researched to determine the placement of the credit(s) and thereby eliminate the duplicate efforts of researching the same credit(s).

9. Large dollar credit modules of \$100,000 or more must have originator's manager's signature of approval certifying that appropriate research has been exhausted prior to XSF application in the remarks section of Form 8758.

IRM 3.17.220.2.1.2 Deleted references to \$100,000 for telephone calls.

1. Form 8758 is reviewed by XSF personnel prior to the addition for accuracy, completeness and proper documentation. XSF will reject back to the originator when line items and documentation is incorrect, incomplete or missing. The following items will be cause for rejection of Form 8758:
 - a. When further information was needed from the taxpayer to resolve the credit, no indication that telephone contact was made, or attempted, prior to transferring the credit to the XSF or notation that contact was not needed to resolve. This is in addition to any letters that may have been issued to the taxpayer.
 - b. Internet research should have been used by all BODs and notated on Form 8758 when attempting to call taxpayer.
 - c. Large dollar credit balance modules of \$100,000 or more must have the originator's manager's signature of approval notated in Box 30, Manager's Signature, on Form 8758 prior to the transfer to the XSF.
 - d. No indication of TC 971 AC 296 added to the module whenever taxpayer contact via telephone or correspondence is unsuccessful.
 - e. Remarks are unclear as to why the credit was unresolved or assessment was not made prior to the Statute expiration.

NOTE: Remarks such as "possible barred assessment" are unacceptable.
 - f. Documentation is not attached to Form 8758 as required.
2. See Figure 3.17.220-5 for an example of a Form 8758 which should be returned to its originator.
 - a. The IRS-received date is missing.
 - b. Since its DLN indicates the same processing year as that in which the Form 8758 was prepared, it is likely that the credit is a revenue receipt, which does not belong in XSF.
3. Refer to the instructions in IRM 3.17.220.2.1.1(2) for other reasons for rejection of Form 8758.

IRM 3.17.220.2.15(4) Deleted references to \$100,000 for telephone calls.

4. If a credit cannot be applied, contact the taxpayer to request needed information as described in IRM 3.17.220.2.8. Internet research should be used by all BODs in an attempt to locate taxpayers. Several sites (Accurint, Google, SEC, ZABASearch, EDGAR, VIVISIMO and SWITCHBOARD) can be used to locate a phone number or address if one cannot be obtained through IDRS or Directory Assistance.
 - a. Research for the most current or other available addresses should be done. Use this information when addressing correspondence.
 - b. If a new address is found, update the XSF record using CC XSENT.

- c. Contact with the taxpayer should be initiated once every six months. Be very careful not to make an unauthorized disclosure. Refer to IRM 11.3.1, Introduction to Disclosure and IRM 11.3.3, Disclosure to Designees and Practitioners and IRM 21.1.1.7, Communication Skills.