

IRM PROCEDURAL UPDATE

DATE: 09/26/2013

NUMBER: WI-03-0913-1511

SUBJECT: Form W-7 Signatures, Form W9 for Exception 1, Medical/School Records That are Not Current, Incomplete SEVP Applications, Steps to Work W-7 Temporary Stats Screen

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

CHANGE(s):

IRM 3.21.263.5.3.5.2(8) added Form W-9 to exception 1 instructions.

- 8. Exception 1, Third Party Withholding on Passive Income: Related Information Statements may include Form 1042-S, Form 1099–INT, Form 1099-MISC, or Form 8805, Schedule K-1.

REMINDER: If multiple Forms W-7 are attached and each applicant is claiming an exception, do not input as a family pack.

CAUTION: Information Statement(s) are generally prepared once a TIN has been supplied. Do not consider for Exception Documentation requirements.

NOTE: Form W-9, Request for Taxpayer Identification Number and Certification, is acceptable documentation for exception 1.

If...	Then submit...
1(a) Partners (foreign partnership or U.S.) in a partnership that invests in U.S. with assets that generate income subject to federal withholding/reporting requirements or, NOTE: If prior year 1065 or K-1 statements are attached to the Form W-7, do not input as exception documentation.	Copy of the portion of the partnership or LLC agreement displaying EIN of partnership and verifying applicant is a partner in the partnership that is conducting business in the United States. CAUTION: CAA submitted applications with partnership information on the COA (including EIN) is acceptable.
1(b) Individuals who have opened an interest bearing bank deposit account that generates income effectively connected with their U.S. trade or	A signed letter from the bank on its official bank letterhead, displaying the applicant's name and stating that they have opened a business

business that is subject to federal information reporting and/or federal tax withholding or,	account which is subject to IRS information reporting and/or federal tax withholding on the interest generated during the current tax year.
1(c) Individuals who are "resident aliens" for tax purposes and have opened an interest bearing bank deposit account that generates income subject to IRS information reporting and/or federal tax withholding, or	A signed letter from the bank on its official letterhead, displaying the applicant's name and stating that they have opened an individual deposit account which is subject to IRS information reporting and/or federal tax withholding on the interest generated during the current tax year.
1(d) Individuals who are receiving distributions during the current tax year of income such as pensions, annuities, rental income, royalties, dividends, etc. that are subject to withholding/reporting requirements.	<p>Document or signed letter from the withholding agent that is on official letterhead, shows the individuals name, and requirement for ITIN in order to make distributions during the current tax year which are subject to federal tax withholding and/or reporting requirements.</p> <p>EXCEPTION: Documents for rental income do not have to specifically state "subject to federal withholding".</p>

IRM 3.21.263.5.3.5.16 Re-formatted instructions for signature.

1. **The application must be signed.** Printed signatures are acceptable.

NOTE: Fax and photocopied signatures are acceptable for the Form W-7 applications only, however electronic signatures are not acceptable.

2. If an applicant cannot sign their name, then they must:
 - o Sign their mark (for example, thumbprint, "X", etc.) in the presence of a witness.
 - o Have the witness sign and identify themselves as a witness
3. If an applicant is under 18 years of age:
 - a. Applicant, their parent or court appointed guardian can sign.

- b. If other than applicant signs:
 - Signing party must type or print their name in the space provided, and
 - Check the appropriate relationship to applicant box
 - c. If court appointed guardian signs:
 - Court appointment papers showing the legal guardianship must be attached
 - d. If adult other than parent or court appointed guardian signs:
 - Form 2848 from parent or court appointed guardian that authorizes the individual to sign is required
4. If an applicant is 18 years of age or older:
- a. Applicant can sign or appoint their parent, court-appointed guardian or other individual to sign
 - b. If other than applicant signs:
 - Signing party must type or print their name in the space provided, and
 - Check the appropriate box that indicates their relationship to the applicant, and
 - Attach Form 2848

CAUTION: A spouse **may not** sign for their husband and/or wife unless the POA box is checked and Form 2848 is attached.

IRM 3.21.263.8.3.2.1 "Is the ID Valid?", Added when to select "no" for medical and school records that are not current, added "no questionable features are identified " as a reason to select "yes", and added instructions for using 1 envelope to return non-questionable ID and unsigned passports,.

1. Use the table below to input supporting identification documentation from Form W-7:

W-7 Application Input Screen Content	Instruction
Add Document NOTE: if the attached document is a visa used to support exception 2b or 2c, enter the visa in the RTS Supporting Identification Documentation.	Click on the Add Document button, on the W-7 Application Input Screen to be directed to another screen to enter the documentation information provided by the applicant.
Edit	Click "edit" to change information for a

	<p>supporting document or view fields not shown in the table.</p> <p>NOTE: This link is only enabled once a document has been entered and submitted.</p>
Remove	<p>Click this link on the W-7 Application Input Screen to remove a document in the Supporting Identification Documentation section.</p> <p>NOTE: This link is only enabled once a document has been entered and submitted.</p>
<p>Document Type</p> <p>IRM 3.21.263.5.3.4.1</p>	<p>Select the appropriate document that was provided by the applicant as supporting identification documentation, reviewed or submitted by TAC, or listed by a CAA on a COA. Choose one of the following from the drop down box:</p> <p>NOTE: If the only document attached is not listed on the COA, do not enter the documents.</p> <ul style="list-style-type: none"> ○ Passport ○ National Identification Card ○ U.S. Drivers License ○ Civil Birth Certificate ○ Medical Records (dependents under 6 years of age) ○ Foreign Drivers License ○ U.S. State Identification Card ○ Foreign Voters Registration Card ○ U.S. Military Identification Card ○ Foreign Military Identification Card ○ School Records (dependents under 18 years of age) ○ Visa, Type and Number <p>NOTE: If visa information is required (for example, exception 2 or reason code "f" or "g"), and the TAC copy of the passport shows visa, type, and number, enter the visa information.</p> <ul style="list-style-type: none"> ○ USCIS Photo Identification

	<p>NOTE: If the applicant provides additional original documentation beyond the requirement do not enter in this field. Refer to the <i>Remarks</i> field below.</p>
<p>ID Certification IRM 3.21.263.5.3.4.2.1</p> <p>CAUTION: For all notarized documents, see IRM 3.21.263.4.6 for situations when notarized copies are acceptable.</p>	<p>Choose one of the following from the drop down box:</p> <ul style="list-style-type: none"> ○ Original <p>REMINDER: CAAs do not review dependent ID. Original dependent ID from CAAs should be entered as "original".</p> ○ Certified by the issuing agency <p>NOTE: Select "certified by the issuing agency" when all required SEVIS applications have the copies of ID and the certification letter is complete.</p> <p>NOTE: AAs can only submit original or copies of ID certified by the issuing agency for all applicants (primary, secondary, and dependents). Choose "original" or "certified by the issuing agency " for the corresponding version of ID submitted by the AA.</p> ○ Notarized by State Department employee <p>NOTE: Consider "JAG" and "DOD "(Department of Defense) stamps as notarized documents and select this option</p> ○ Foreign notaries under the Hague Convention with an Apostille attached ○ Notarized by a U.S. notary state authority ○ CAA Reviewed

REMINDER: CAAs can only review original/certified copies of ID for primary and secondary applicants. Copies of this ID for primary/secondary applicants with the COA indicate the CAA reviewed the ID.

- TAC and Tax Attaché Reviewed

NOTE: ID should be original/certified copies with these exceptions:
- Designated TAC offices review original passports and national ID cards **ONLY**. Participating IRS TAC offices are listed at Designated TAC Offices.

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CAUTION: When original ID is reviewed by designated TAC, Tax Attache, or CAA, update the Remarks Screen or Comments Field with *"original ID reviewed by TAC (or Tax Attache, or CAA)"*

- None of the Above

NOTE: Select "none of the above" for copies of ID scanned into the Correspondence Imaging System (CIS) and SEVIS applications which do not have copies of ID or have an incomplete certification letter. Update remarks with the reasons for this selection.

Enter documentation from the Department of Defense CAAs e.g., the U.S. Navy, U.S. Army, U.S. Marines, U.S. Air Force, Judge Advocate

	<p>General (JAG) offices, etc., as "CAA reviewed." JAG submissions must include a COA to be considered CAA</p> <p>Additional supporting documentation attached to a case that is not listed on the COA do not qualify as <i>CAA Reviewed</i> and should not be entered on this screen. Update instead the Remarks Screen with comments such as <i>"Document 17 attached, not listed on COA."</i></p> <p>EXCEPTION: If CAA:</p> <ul style="list-style-type: none"> ○ Submits original/copies certified by the issuing agency or if an exception, a copy of the ID meeting the exception criteria, and ○ The ID is NOT on the COA, and ○ The valid ID completes the minimum ID requirements for assignment, <p>then enter the ID and select "original" if document is original, or "notarized " if notarized and meets exception criteria, or "certified by issuing agency " if certified by issuing agency. . If the ID submitted does not match the COA and will not assign, enter the ID as "CAA Reviewed" and select "COA not valid."</p>
Is the ID Valid?	<p>Choose one of the following from the drop down box:</p> <ul style="list-style-type: none"> ○ Yes, viewed documents ○ No, viewed documents <p>NOTE: Always update the Remarks Screen with why the ID is invalid.</p> <ul style="list-style-type: none"> ○ # <p>No, FDC referral.</p> <p>#</p>

Select "Yes, viewed documents" when no questionable features are identified and:

- The valid document meets all documentation requirements, OR
- A valid visa or signed passport is presented, OR
- All review columns of the FA Document Action Sheet are marked "yes" or "n/a"
- No questionable features are identified.
- School records consist of a dated school letter signed by an official of the school with a report card or transcript issued by the school. For children under the age of 6, a school letter from a nursery or kindergarten is acceptable and does not require a transcript or grades. If a date of entry is required for the applicant, the school record must be from a U.S. facility.

CAUTION: If the ID is valid except for an expiration date which is in the past, select "Yes, viewed documents" and enter the expired date in the "Documentation Expiration Date" fields.

Select "No, viewed documents" when:

- The document does not meet all documentation requirements, for example, translation needed, not valid for applicant (name mis-match, etc.)
- CAA sends copies of dependent ID

REMINDER: Original or certified copies of ID is required for all dependents

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- School records are only a school letter without an official report card or

	<p>transcript, or applicant is age 18 or older.</p> <ul style="list-style-type: none">○ Medical or school records are not current○ Medical records are a shot/immunization record that requires a provider identification letter and that letter is missing, or a provider letter is present but the shot/immunization record is missing, or applicant is age 6 or older.○ The school or medical record is NOT from a U.S. facility, a date of entry is NOT present when required, and the applicant is from a country other than Mexico, Canada, or India.○ # <div data-bbox="727 806 1305 1073" style="background-color: black; width: 100%; height: 100%;"></div> <p>#</p> <ul style="list-style-type: none">○ The passport has a signature field but is not signed. Update the Remarks Screen with "passport not signed". Consider passports with no signature field (for example, Brazilian) or statements such as <i>"the holder is not required to sign"</i> (for example, a passport from the United Kingdom) as having met the signature requirement. Complete Form 14415 to return the passport and check <i>"The passport you sent does not meet IRS criteria"</i> box. Attach completed Form 14415 to an addressed envelope containing the unsigned passport. Secure Form 14415 and envelope containing unsigned passport to the front of a family pack or single application with Form 14415 on top.
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	<p>NOTE: The same envelope can be used to return both non-questionable/non-W2 name mismatch issue ID and unsigned passports with Form 14415 when Form 14433 is enclosed and used to address the envelope.</p> <p>EXCEPTION: Consider passports for children under 12 years of age at date of Form W-7 signature as signed if they have a thumbprint or are unsigned. See IRM 3.21.263.5.3.4.</p>
Does Applicant Name Match Documentation?	<p>Choose the appropriate radio button Yes or No. Select "no". if the applicant can not substantiate that the name on the ID is theirs.</p> <p>NOTE: Do not enter the document in the Supporting Documentation Table if not for the applicant.</p>
Issuing Country	<p>Choose the appropriate issuing country from the drop down box.</p> <p>Refer to Country Code List if needed in Exhibit 3.21.263-16.</p>
Issuing State Exhibit 3.21.263-15	<p>Choose the appropriate issuing state of the documentation from the drop down box. This list includes all states in the U.S., U.S. Possessions, and Armed Forces.</p> <p>This field is enabled only when U.S. is selected as the country.</p> <p>For a U.S. military ID, enter the appropriate APO/FPO two-character state abbreviation (AA/AE/AP) for the military base as shown in Exhibit 3.21.263-15.</p>
Document Expiration Date IRM 3.21.263.5.3.4.2.2	<p>Enter the Document Expiration Date using MMDDYYYY format.</p> <p>MM values= 1 to 12</p> <p>DD values= 1 to 31</p>

	<p>If an expiration date is present, enter it in this field.</p> <p>If a document has no expiration date, leave blank and select "No" in the field "Is the document valid?"</p> <p>EXCEPTION: If a Foreign Drivers License has no expiration date, then leave this field blank but select "Yes" in the field "Is the ID Valid?"</p> <p>If a Foreign Drivers License has no expiration date, then leave this field blank but select "Yes" in the field "Is the document valid?"</p>
<p>Visa Classification</p>	<p>Choose the appropriate classification from the Visa Classification drop down box.</p> <p>This field will auto-populate Line 6c once the information is captured in the Supporting Identification Documentation Table.</p> <p>NOTE: If visa is required for application and Line 6c information is not present, refer to Lead for Override action.</p> <p>This field is disabled if "Document Type" selected from the drop-down box is other than visa.</p> <p>If country of citizenship is India, and reason box is "d" or "e" and F-2, J-2, or M-2, visa is listed, enter visa data in addition to any other supporting identification documentation including a passport.</p>

	<p>For CAA and TAC reviewed applications with reason box "f" or "g" select "Original" as the ID certification if a visa photocopy is attached or visa information is present on Line 6c and either condition below is met:</p> <ul style="list-style-type: none"> ○ Application is CAA reviewed and visa or Document Code "32" is listed on the COA. ○ Application is TAC reviewed and Document Code "32" is listed in the <i>For IRS Use Only Box</i>. <p>CAUTION: Select "original" as the ID certification if exception 2b or 2c is claimed and any of the following is attached:</p> <ul style="list-style-type: none"> ○ original passport with U.S. visa information present ○ copy of passport (does not have to be certified/notarized) with U.S. visa information present ○ copy of U.S. visa (does not have to be certified/notarized)
<p>Visa ID Number</p>	<p>Enter the Visa ID Number. The visa ID number is the control number in the upper right of the Teslin or Lincoln visa. For the border crossing card/visa, the visa ID number is the VBUSA number in the lower left. Enter VBUSA and the numbers that follow.</p> <p>NOTE: This field will auto-populate Line 6c once the information is captured in the Supporting Identification Documentation Table.</p> <p>For CAA and TAC reviewed applications with reason box "f" or "g", select "Original" as the ID certification if a visa photocopy is attached or visa information is present on Line 6c and either condition below is met:</p> <ul style="list-style-type: none"> ○ Application is CAA reviewed and visa or Document Code "32" is listed on the COA. OR ○ Application is TAC reviewed and

	<p>Document Code "32" is listed in the <i>For IRS Use Only Box</i>.</p> <p>This field is disabled if "Document Type" selected from the drop-down box is other than visa.</p> <p>If visa is required for application and Line 6c information is not present, refer to Lead for Override action.</p>
<p>Visa Expiration Date</p> <p>IRM 3.21.263.5.3.4.2.2</p>	<p>Enter the Visa Expiration Date using MMDDYYYY format.</p> <p>MM values= 1 to 12</p> <p>DD values= 1 to 31</p> <p>NOTE: This field will auto-populate Line 6c once the information is captured in the Supporting Identification Documentation Table. For CAA and TAC reviewed applications with reason box "f" or "g" select "Original" as the ID certification if a visa photocopy is attached or visa information is present on Line 6c and either condition below is met:</p> <ul style="list-style-type: none"> ○ Application is CAA reviewed and visa or Document Code "32" is listed on the COA. ○ Application is TAC reviewed and Document Code "32" is listed in the <i>For IRS Use Only Box</i>. <p>If visa is required for application and Line 6c information is not present, refer to Lead for Override action.</p> <p>This field is disabled if "Document Type" selected from the drop-down box is other than visa.</p>

	<p>If "DS" (duration of stay) is noted as the visa expiration date on Form W-7, enter the visa expiration date in the Supporting Identification Documentation Screen as 1 year from the received date of Form W-7 application or subsequent correspondence.</p> <p>NOTE: If I-20 or I-94 documents or the visa is marked "DS", enter the visa expiration date as one year from the W-7 or subsequent correspondence received date.</p>
<p>Does the Document need Translation?</p> <p>IRM 3.21.263.5.3.4.2.1</p>	<p>Choose the appropriate radio button Yes or No.</p> <p>If the document is in Spanish, see Exhibit 3.21.263-46 to translate. If translation is secured, select "no."</p> <p>If unable to translate, then select "Yes" for the appropriate suspense (S 15) notice to generate.</p>
<p>Does the Document have a photograph?</p> <p>IRM 3.21.263.5.3.4.2</p>	<p>Choose the appropriate radio button Yes or No.</p>
<p>ID Number</p>	<p>Enter the ID number of the document if available. The passport number is titled "<i>passport no</i>" and appears in the upper right corner.</p> <p>For Mexican National Voter Registration Cards enter the Folio number in this field.</p> <p>For birth certificates, use the following priority order to determine what ID number to capture. If none of these are present, enter other available identifying number.</p> <ol style="list-style-type: none"> 1. Acta / Partida 2. Folio/Foja 3. Crip/Curp/Clave 4. Certificate Number
<p>Submit ID</p>	<p>Click on the Submit ID Documentation button</p>

Documentation	to view the W-7 Application Input Screen with the submitted information.
Cancel	<p>Click the Cancel button and the following warning message will appear: "You will lose data on the current Screen, Would you like to continue?"</p> <ul style="list-style-type: none"> ○ Click the Okay button and the system will direct you back to the ITIN Home Screen. ○ Click the Cancel button and the system will return back to the current Screen.

IRM 3.21.263.8.3.2.3(1) "Document Type," Added Form W-9 as a selection choice displayed in the drop down box.

1. Use the table below to input the exception documentation.

W-7 Application Input Screen Content	Instruction
Add document	Click on the "Add Document" button to enter documentation information for the applicant
Edit	This is enabled once a document has been entered and submitted by the user
Remove	Click this link found on the W-7 Application Input Screen to remove a document from the Exception/Evidence Substantiating Documentation Table.
Back to Top	Click on the link and return to the top of the page.
Document Type	<p>Choose one of the following from the drop down box:</p> <ul style="list-style-type: none"> ○ Form 8233 ○ SSA reject letter or DSO letter ○ Loan commitment letter from a bank, a financial or lending institution ○ Documentation of evidence of a home mortgage loan ○ Documentation that applicant owns an asset that generates income that is subject to information reporting (IRP) or withholding (WH) requirements (i.e. from a bank, financial or lending institution)

	<p>statement)</p> <ul style="list-style-type: none"> ○ Employment letter ○ Copy of Partnership agreement with EIN or evidence the partnership is conducting business in U.S. ○ Form 8288 Series ○ Copy of the contract of sale of real property ○ Resident/Nonresident alien making estimated tax payment (applicant will not be issued ITIN until they file their tax return) ○ Letter from Education Institute ○ Letter from Financial Institute ○ Form W-8 series ○ Form W-9 ○ Other Document Type <p>Documentation submitted by the applicant will only be entered to the Exception/Evidence Substantiating Documentation window if it is documentation required to support the exception being claimed.</p> <p>EXCEPTION: if a visa or copy (copy does not have to be notarized/certified) of a visa is submitted as exception 2b or 2c documentation, enter as "original" under RTS Supporting Identification Documentation.</p> <p>When SSA denial information or reference to an honoraria payment is located within the letter from the DSO or RO, select:</p> <ul style="list-style-type: none"> a. Other Document Type (enter "university letter" in the "Other" field) and also select, "SSA reject letter".
Other	<p>Enter the description of <i>Other</i> when selected from the <i>Document Type</i> drop down box.</p> <p>When SSA denial information or reference to an honoraria payment is located within the letter from the DSO or RO, select:</p> <ul style="list-style-type: none"> a. Other Document Type (enter "university letter" in the "Other" field) and also select, "SSA

	reject letter".
Does Applicant Name Match Documentation?	<p>Choose the appropriate radio button Yes or No</p> <p>Select "Yes".</p> <p>NOTE: Do not enter the document in the "Exception Evidence Substantiating Documentation" table if it is not for the applicant.</p>
Is the Documentation Valid?	<p>Choose one of the following from the drop down box:</p> <ul style="list-style-type: none"> ○ Yes, viewed documents ○ No, viewed documents <p>Select "No, viewed documents" when a required document is provided but is missing specific criteria (e.g. EIN is missing from a partnership agreement, signature is missing from financial institution letter, SEVP letter or application is incomplete, for example is not dated or signed, I-20 is missing, etc.)</p> <p>REMINDER: Update the Remarks Screen.</p>
Submit Exception Document	Click on the Submit Exception Document button to add exception document information to the W-7 Application Input Screen
Cancel	<p>Click the Cancel button and the following warning message will appear: "You will lose data on the current Screen, Would you like to continue?"</p> <p>Click the Okay button and the system will direct you back to the ITIN Home Screen.</p> <p>Click the Cancel button and the system will return back to the current Screen.</p>

IRM 3.21.263.8.3.4(3) Revised steps for working cases in suspended status.

3. See IRM 3.21.263.4.6 for new procedures for accepting only original/certified supporting ID from the applicant and CAAs.

EXCEPTION: Notarized documents are acceptable **ONLY** when both Reason Code Boxes "a" and "h" are checked or "d" or "e" are checked with APO/FPO address or military ID card. Process all other applications not in assigned status as follows:

- **Suspended Status:** Continue processing as normal for CP 566 Notice to generate, including the cases suspended for questionable supporting identification.

NOTE: if the applicant meets the exception criteria above for notarized documents but applicant is missing the required exception documentation for the exception being claimed (S 21) then select the back button and:

- Return to applicant's mailing address and remove the mailing address.

- Remove all CAA data, including EIN and office code, to allow Reject Code 98.

- Input the CAA name and EIN in the Remarks Screen.

- Flag the entire case package (envelope) for clerical to purge in 65 days.

- Download PDF Form 14415. Type the taxpayer specific data (reference number, name, address) and check the appropriate boxes for the suspense condition. Print the letter, address the envelope, and enclose the letter in the envelope.

REMINDER: Ensure you prepare Form 14415 for both the applicant and CAA. See IRM 3.21.263.2.3

- **Rejected Status:** Continue processing as normal to allow CP 567 Notice to generate.

NOTE: If the applicant meets the exception criteria above for notarized documents but is missing the required exception documentation for the exception being claimed (S 21), then select the "Back" button and:
Return to applicant's mailing address and remove the mailing address

Remove all CAA data, including EIN and office code, to allow Reject Code 98 to generate

Input the CAA name and EIN in the Remarks Screen

Flag for special clerical handling

Download PDF Form 14413. Type the taxpayer specific data (reference number, name, address) and check the appropriate boxes for the reject condition. Print the letter, address the envelope, and enclose the letter in the envelope.

REMINDER: Ensure you prepare Form 14413 for both the applicant and CAA. Update the Remarks Screen to show Form 14413 sent. See also IRM 3.21.263.2.3.

- **Hard Reject Status:** Continue processing as normal to allow -CP 574 Notice to generate. If Form W-7 Hard Rejects and is a Hard Reject because one "cannot calculate tax liability on the tax return", circle out all IRS received dates on the tax return before sending it back to the taxpayer. Tax Examiner will prepare an envelope to return W-7, all documentation and tax returns to the primary on the tax return.