

IRM PROCEDURAL UPDATE

DATE: 01/06/2014

NUMBER: WI-21-0114-0039

SUBJECT: Domestic EIN Assignment Via Toll Free Phones - Changes For 2014

AFFECTED IRM(s)/SUBSECTION(s): 21.7.13

CHANGE(s):

IRM 21.7.13.2.2.2(2) - Added note regarding the discontinuance of EIN Assignment via phone

2.

NOTE: EIN Toll-Free Telephone Assignment is discontinued effective January 6, 2014.

IRM 21.7.13.2.2.3 (4) and (5) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

4. **The online EIN application** - The online EIN application, Modernized Internet EIN, performs the date of death check on the individual input as the responsible party for each of the entities listed in Paragraph (3). If a date of death is present, an EIN is not assigned. The applicant is directed to call the IRS Business & Specialty toll-free line and is displayed Reject Code 115. See IRM 21.7.13.3.4.1 for a list of error codes and their meanings. When a call is received from an individual who states they received the Reject Code 115, follow the instructions beginning in Paragraph (5).
5. **Responding to taxpayer inquiries regarding Error Code 115** - If a date of death is present for the responsible party for one of the entities listed in Paragraph (3), take the actions shown in the table below, based on whether the caller is the responsible party or an authorized third party.

If	And	Then
1. The caller is the responsible party	The caller passes authentication probes (See IRM 21.7.13.3.5.3.)	Advise the caller as follows: "I'm sorry, but we are unable to provide you with an EIN . Our records show a date of death is

		present. You must contact the Social Security Administration (SSA) to correct the information. Then, you must mail or fax us a completed and signed Form SS-4, along with the documentation received from SSA as verification of the correction. Mail or fax us the information per the Instructions for Form SS-4."
2. The caller is the responsible party	The caller fails authentication probes (See IRM 21.7.13.3.5.3.)	Advise the caller as follows: "I'm sorry, but we are unable to verify your identity at this time. Please fill out a Form SS-4 and fax or mail it to us." CAUTION: Do not disclose any information to the caller, including which questions he/she failed.
3. The caller is a Third Party Designee (TPD) or has Power of Attorney (POA)	After following normal third party telephone disclosure procedures, you are researching the name and TIN of the responsible party, and a DOD is present	Advise the caller as follows: "I'm sorry, but we are unable to provide you with an EIN. Please have the responsible party call us." CAUTION: Do not disclose <u>any</u> information beyond the language shown above to the caller. If questioned why the responsible party must call the state: "I'm sorry, I am unable to provide you with any further information." CAUTION: Do <i>not</i> probe for a different responsible party.

<p>4. The caller is a Third Party Designee (TPD) or has Power of Attorney (POA)</p>	<p>After advising the caller to have the responsible party call us (see 3. above), the TPD/POA states the responsible party is deceased CAUTION: Do not, at any point in the conversation, either state or confirm that IRS records show the responsible party is deceased. The TPD or POA is not entitled to this information. The TPD and/or POA's authority ends at the time of the taxpayer's death. Only an individual, who can establish authority, such as a fiduciary (administrator, executor, or trustee of the estate), or an heir at law, next of kin, or beneficiary who establishes a material interest, may be entitled to <u>any</u> information about the decedent.</p>	<p>Advise the caller as follows: "If" the responsible party is deceased, we cannot assign an EIN. You must mail or fax us: 1) A completed Form SS-4, signed by an individual who is authorized to act for the decedent, and. 2) documentation to substantiate the requestor's authority to act on behalf of the decedent, and 3) a letter explaining the reason an EIN is needed. See IRM 11.3.2.4.7, <i>Estates</i>, for complete information regarding persons who are authorized to request/receive information on behalf of a decedent, and the type of documentation that may be sent to IRS to establish authority.</p>
<p>5. The caller is a Third Party Designee (TPD) or has Power of Attorney (POA)</p>	<p>After advising the caller to have the responsible party call us (see 3. above), the TPD/POA provides a different responsible party. CAUTION: The entity type must be one for which an alternative responsible party may be provided (e.g., corporation, LLC, partnership, etc. There cannot be an alternate responsible party for</p>	<p>Advise the caller they can obtain an EIN via the Online EIN Assistant, or by faxing or mailing a completed Form SS-4.</p>

	entity types where there is only one responsible party (sole proprietorship, single-member LLC, household employer, etc.).	
6. The responsible party, TPD/POA or other authorized individual calls back after being advised of the information that must be mailed or faxed to IRS	Requests to fax the Form SS-4 and documentation previously requested, while you remain on the phone, for the purpose of obtaining an EIN during the call	Advise the caller as follows: "I'm sorry, but we are unable to provide you with an EIN over the telephone. You must fax or mail in the previously requested information per the Instructions for Form SS-4. Upon receipt, the application and documentation will be evaluated, and, if complete, an EIN will be faxed back within 4 business days."

IRM 21.7.13.2.3 - Updated guidance in paragraph 1 to reflect the discontinuance of EIN Assignment via phone, added new paragraph 2 and note regarding the discontinuance of EIN Assignment via phone

1. A taxpayer can apply for an EIN by any of the following methods:
 - o Over the Internet (See IRM 21.7.13.3.4.)
 - o
 - o By mail (See IRM 21.7.13.3.6.); or
 - o By fax (See IRM 21.7.13.3.7.)
2. EIN Toll Free Telephone Assignment is discontinued effective January 6, 2014.

NOTE: Foreign applicants can call (267-941-1099). See IRM 21.7.13.3.2.7

IRM 21.7.13.2.6(5) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

5. Pursuant to the requirements of the Privacy Act of 1974 (5 U.S.C 352a) and guidance from the Office of Management and Budget (OMB), the U.S. Census Bureau discontinued the collection of the Social Security Numbers from their customers when filing Electronic Export Information in the Automated Export System. You may receive phone calls from small

businesses and individuals stating they need to apply for an EIN due to this reason. Advise the caller that they may apply for an EIN using our Online EIN Assistant, or by submitting a Form SS-4 by fax or mail.

IRM 21.7.13.2.7 (3) and (4) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

3. In order to pass a name/TIN match, the EIN must be posted to Master File. Therefore, a taxpayer who plans to become a government contractor or grant applicant and applied for an EIN via the internet, or fax must wait until the EIN posts to Master File, or the name/TIN match will fail.
4. When answering an EIN-related call if you become aware that a taxpayer plans to become a government contractor or grant applicant and will be registering in SAM, advise the taxpayer that the EIN can be used to make a payment or file a tax return, but will not be available for name/TIN matching or other electronic purposes for approximately two weeks.

IRM 21.7.13.3.2 (1) - Deleted note

1. Form SS-4, *Application for Employer Identification Number*, is used by taxpayers to apply for an EIN. It can be obtained by:
 - o Accessing the IRS Web Site at www.irs.gov , or
 - o Calling 1-800-TAX-FORM (800-829-3676)

The taxpayer can complete and submit a paper form:

- o By mail (See IRM 21.7.13.3.6)
- o By fax (See IRM 21.7.13.3.7)
- o An online application, via the Internet (See IRM 21.7.13.3.4)

IRM 21.7.13.3.2.5(2) - Deleted telephone from entity types

2. Use the table below, for the entity types listed (), to populate Lines 16 and 17. The table was developed by IRS, SSA, and Census in an effort to improve the quality of data we receive and forward to these agencies. Do not ask these entities for this information.

Entity Type	Line 16 (PBA)	Line 16 Remarks	Line 17
Bankruptcy (Individual)	Other (09)	Trust Admin	Trust Administration
Church	Other (09)	Religious Org	Religious Organization
Employer (Fiscal) Agent	Other (09)	Payroll Serv	Payroll Service
Employer Plan	Fin & Ins		Employer Plan

(All Types)	(06) (Finance & Insurance)		
Escrow	Real Estate (02)		Escrow Company
Estate	Fin & Ins (06)		Estate Administration
FNMA (Fannie Mae)	Fin & Ins (06)		FNMA
GNMA (Ginnie Mae)	Fin & Ins (06)		GNMA
Homeowners/Condo Assoc.	Real Estate (02)		Homeowners Association
Household Employer	Other (09)	Household Emp	Household Employer
Plan Administrator	Fin & Ins (06)		Plan Administration
Political Organization	Other (09)	Pol Org	Political Organization
REIT (Real Estate Investment Trust)	Fin & Ins (06)		REIT
REMIC (Real Estate Mortgage Investment Conduit)	Fin & Ins (06)		REMIC
RIC (Regulated Investment Company)	Fin & Ins (06)		RIC
Settlement Fund	Fin & Ins (06)		Settlement Fund
Trust (All Types)	Fin & Ins (06)		Trust Administration

IRM 21.7.13.3.2.12 (5) - Added note regarding the discontinuance of EIN Assignment via phone

5. The **only** records IRS maintains are those submitted by mail or fax for estates, trusts, and entities with no filing requirements (See IRM 21.7.13.3.2.11) for the following reasons:
 - o All contact information from the form is transcribed, including the SSN/ITIN/EIN of the responsible party, principal officer, general partner, trustor, grantor etc. and posted to Master File.
 - o Approximately 70 percent of all EIN applications are submitted through the internet. No paper is generated in this process and the EINs post to Master File without human intervention.
 - o Applications received via telephone calls to the IRS toll-free number do not require the taxpayer to submit a paper Form SS-4.

NOTE: EIN Toll Free Telephone Assignment is discontinued effective January 6, 2014.

NOTE: The retention period for Forms SS-4 sent to Files in brown folders (Document 6982) is one year after Integrated Data Retrieval system (IDRS) input.

IRM 21.7.13.3.3 (4) - Deleted first bullet

4. If a third party is requesting an EIN , advise the third party that he/she has the following options:
 - o s.
 - o Apply online.
 - o Fax or mail in a completed Form SS-4.

IRM 21.7.13.3.4.1 (1) - Deleted previous exception and replaced with new information

1. On September 17, 2007, Modernized Internet EIN (Mod IEIN) replaced the online Form SS-4 application. Following are some of the changes and benefits of the new online application:
 - o Mod IEIN is a completely redesigned application in a question and answer format; similar to the popular tax preparation products on the market. Taxpayers and authorized third party designees begin by choosing the type of entity they are applying for and then only answer questions applicable to that entity.

NOTE: Multi-member limited liability companies must not select "Partnership" as the type of entity they are establishing. Doing so will not allow an LLC suffix to be added to the primary name line. Advise any callers reporting this as a problem to select "Limited

Liability Company" as the type of entity they are establishing. This will allow an LLC suffix to be entered and the appropriate filing requirement(s) to be established.

- Unauthorized third parties can submit an application for a taxpayer, but the EIN is not displayed at the end of the session. The unauthorized third party is advised that the EIN confirmation notice (CP 575) will be mailed to the taxpayer.
- Mod IEIN can be used by all entities as long as the responsible party has a valid TIN, and the entity's principal location is in the United States or U.S. Territories.

EXCEPTION: If the applicant lists a BMF entity as the responsible party and the EIN of that entity was obtained online; i.e. EIN prefix 20, 26, 27, 45, 46, etc., the new business cannot use MOD IEIN. EIN requests meeting this criteria must be submitted by fax or mail. This information is provided to applicants on the IRS.gov webpage titled: Apply for an Employer Identification Number (EIN) Online . For example, a corporation lists another BMF entity as the responsible party, and that responsible party's EIN begins with 20, 26, etc., then the corporation must submit their EIN request by fax or mail. See IRM 21.7.13.2.4 for a complete listing of Internet EIN prefixes.

- Help topics and keywords provide embedded help so that separate instructions are not required.
- Real time validations include name and TIN match, search for an existing EIN, and other front-end checks to ensure that only those applicants who pass validation receive an EIN during the online session.
- Mod IEIN populates CC ESIGN with the taxpayer's information. When the taxpayer finishes the application and presses the submit button, CC ESIGN generates the EIN in the same manner as a live assistor.
- Because the EIN is being assigned in real time, it is available for research on CC ENMOD immediately.
- Taxpayers have the option to view, save, and print their CP 575 at the end of the session. Third party designees do not receive this option. They receive the EIN only.

NOTE: Taxpayers who opt to receive their CP 575 online will not receive a notice in the mail.

IRM 21.7.13.3.4.1.1 (3) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

3. A taxpayer may decide to call the toll-free number to apply for an EIN instead of waiting to try the application later. If you receive a call, and the taxpayer indicates he/she received the Technical Difficulties page in the Mod IEIN application, advise the taxpayer to apply online later in the day, or they can submit a Form SS-4 by fax or mail.

IRM 21.7.13.3.5.1 - Revised entire section to reflect the discontinuance of EIN Assignment via phone

1. Effective January 6, 2014, EIN Toll Free Telephone Assignment is discontinued. Taxpayers calling to apply for an EIN will be advised as follows: "I'm sorry, the IRS is no longer assigning EINs over the telephone. You can receive an EIN immediately by using our Online EIN Assistant . Go to the IRS web site at www.irs.gov and type in keyword EIN. If you prefer, you can complete a Form SS-4 and fax or mail it to us. The Form SS-4 and instructions can be downloaded from the IRS.gov website. Is there anything else I can help you with today?"

NOTE: International applicants must call (267) 941-1099 (not a toll-free number).

2. A responsible party may only receive one (1) EIN per day. See IRM 21.7.13.2.2.2 for more information.

IRM 21.7.13.3.5.3 (1) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

1. Telephone applications can be **taken** from any caller if one of the exceptions have been met in IRM 21.7.13.3.5.1. However, an EIN can only be **disclosed** to a person who is authorized to receive it. First, determine whether you are speaking to the taxpayer (sole proprietor, partner, corporate officer, fiduciary, etc.) or to a third party applying on behalf of the taxpayer. If you are speaking to the taxpayer, follow the instructions in paragraph (2). If you are speaking to a third party, follow the instructions in paragraph (3).

CAUTION: Beginning January 2, 2013, EIN assignment employees will perform a date of death check on the responsible party SSN using the EIN IAT Tool. See IRM 21.7.13.2.2.3 for complete information on entity types and authentication requirements on which the date of death validation check is applicable.

IRM 21.7.13.3.5.4(1) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

1. Follow the steps in the table below to take a telephone application for an EIN if one of the exceptions have been met in IRM 21.7.13.3.5.1.

Step	Action
1	Open the call per IRM 21.1.1.7, <i>Communication Skills</i> , paragraphs 2, 3 and 4. See IRM 21.7.13.3.5.5 if the IDRS system is down while you are on the call.
2	<p>Perform the necessary research to determine whether the entity needs a new EIN. See IRM 21.7.13.4.2.</p> <ul style="list-style-type: none"> ○ If the caller is a third party designee or unauthorized party, make sure the information provided (name, telephone number, SSN, etc.) is that of the taxpayer, not of a third party. ○ If the caller is an unauthorized third party, and during research you find an EIN has already been assigned for the taxpayer, <i>do not</i> disclose this to the caller. Advise the caller you have all of the information you need and will respond to the taxpayer directly. ○ If the caller is an unauthorized third party, and during research you find that the name and SSN/EIN/ITIN of the owner of the entity does not match our records, <i>do not</i> disclose this to the caller. Advise the unauthorized third party that the information they are providing is not valid and the owner of the entity must call in to apply for the EIN.
3	<p>After verifying that an EIN is needed, ask the caller for all of the required information from the Form SS-4. Be sure to gather all of the information required for the entity type.</p> <ul style="list-style-type: none"> ○ Spell out all name and address information from ESIGN screen (except Major City Code) back to the taxpayer before transmitting. ○ Double check all entries for accuracy. ○ In the Remarks field of the ESIGN screen, enter the caller's name and phone number.
4	Assign the EIN using the appropriate procedure for the entity type. See IRM 21.7.13.5.
5	If the caller is authorized, give him/her the EIN.

	NOTE: If the caller is <i>not</i> authorized to receive the EIN, do not disclose it. Advise the caller the EIN confirmation notice will be mailed to the taxpayer's address of record. Do <i>not</i> offer to fax the EIN confirmation letter to the taxpayer.
6	Have the caller write down the number (preferably on a completed Form SS-4) for their records and repeat it back to you. NOTE: It is not necessary to tell the caller to write the number on a Form SS-4 if the caller indicated in Step 2 that he/she does not have a completed Form SS-4. Do <i>not</i> offer to fax an EIN confirmation letter to the caller. If the caller is authorized and initiates a request for a faxed EIN confirmation, provide it
7	Notify the caller that he/she will receive a notice in about two weeks listing, if applicable, the return(s) he/she is required to file and the first due date of each respective return. Advise the caller this notice should be retained in their permanent records. Also, they may want to make several copies of the notice, as it can be used when EIN verification is requested for business purposes. CAUTION: Do <i>not</i> offer to fax an EIN confirmation letter to the caller. If the caller is authorized and initiates a request for a faxed EIN confirmation, provide it.
8	Conclude the contact courteously by thanking the caller for calling and/or apologizing if the Service has made an error.

IRM 21.7.13.3.5.6 - Updated guidance to reflect the discontinuance of EIN Assignment via phone

1. Use the guidelines in the table below when a taxpayer calls about an EIN. See IRM 21.7.13.7.2 for processing timeframes.

If	And	Then
The taxpayer mailed or faxed Form SS-4	The processing timeframe has not elapsed	Research to determine whether the EIN has been assigned. See IRM 21.7.13.4. <ul style="list-style-type: none"> o If the EIN has been assigned, after verifying that the caller is authorized to receive it, give the taxpayer the

		<p>EIN.</p> <ul style="list-style-type: none"> ○ If the EIN has <i>not</i> been assigned, advise the taxpayer to call back after the timeframe has elapsed. <p>NOTE: Taxpayers who receive an EIN from Modernized Internet EIN (after 09/17/2007) are advised to print the page showing their new EIN. However, if the taxpayer did not print the EIN, it is immediately available for research on CC ENMOD. See IRM 21.7.13.3.4.1.</p>
The taxpayer mailed or faxed Form SS-4	The processing timeframe has elapsed	<p>Research to determine whether the EIN has been assigned. See IRM 21.7.13.4.</p> <ul style="list-style-type: none"> ○ If the EIN has been assigned, after verifying that the taxpayer is authorized to receive the information, give him/her the EIN. ○ If the EIN has <i>not</i> been assigned, advise the taxpayer to submit their Form SS-4 by fax or mail with "Second Request notated at the top of their application".
The taxpayer has not yet applied for an EIN	States he/she is calling to apply	Advise the caller of all methods available to apply for an EIN. See IRM 21.7.13.2.3
The taxpayer has received an EIN and requests account		<p>For post-assignment EIN disclosure procedures, see IRM 21.1.3.</p> <p>EXCEPTION: Taxpayers who cannot locate their assigned</p>

information		EIN can be disclosed by following the procedures below. See IRM 21.7.13.3.5.6.1 and IRM 21.7.13.3.5.6.2.
A third party calls for an EIN	Has a completed/signed Form SS-4 with TPD authorization	Have third party fax proper authorization (SS-4/TPD). See IRM 21.7.13.3.3 before releasing the EIN.
A third party calls for more information than just the EIN	Has a valid Form 2848 or 8821 that has not been processed to the CAF	Have the third party fax the proper authorization. See IRM 21.7.13.3.3 before releasing account information. See IRM 21.7.13.3.5.7 for information on handling non-EIN related issues.

IRM 21.7.13.4.1 (1) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

1. Use the information in the table below to determine whether a new EIN is needed, based on a taxpayer inquiry.

If	Then
The taxpayer previously had an EIN for the same entity	The same EIN is used.
The taxpayer is incorporating using the same name and in the same state as another corporation whose filing requirements have been closed	Issue a new EIN if the inquiry was submitted in writing via correspondence. If the inquiry was received from toll free phones, advise the caller to submit a Form SS-4 by fax or mail. NOTE: Research the previous corporation's account for cancellation of filing requirements.
The taxpayer is incorporating using the same name and in the same state as another corporation with open filing requirements	<ol style="list-style-type: none"> 1. Check to see if it is the same corporation. 2. If not, ask the taxpayer to produce proof of incorporation (articles of incorporation) and submit a Form SS-4 with articles of

	incorporation/organization by fax or mail.
A bank will not accept the taxpayer's EIN because another taxpayer has a number exactly like it	Do not issue an EIN. NOTE: Banks do not use dashes to distinguish EINs from SSNs. It is the responsibility of the taxpayer to contact the bank to settle the issue.

IRM 21.7.13.4.2.4 (1) - Added caution notation reflecting discontinuance of EIN Assignment via phone

1. After researching for a previously assigned EIN, use the information in the table below to determine the appropriate action to take.

CAUTION: EIN Toll Free Telephone Assignment is discontinued effective January 6, 2014. See IRM 21.7.13.3.5.1

If	Then
A previously assigned EIN is not found	Assign an EIN, using the appropriate procedure for the entity type. See IRM 21.7.13.5.
A previously assigned EIN is found for a mailed or faxed Form SS-4 and there are no changes in entity type or ownership	Send Letter 147C, <i>EIN Previously Assigned</i> , to notify the taxpayer of a previously assigned number.
If a previously assigned EIN <ul style="list-style-type: none"> o Is found during a phone call, and o The account has posted to Master File 	After performing proper disclosure procedures. See IRM 21.7.13.3.5.6.1 for Sole Proprietors and IRM 21.7.13.3.5.6.2 for all other entity types verbally release the EIN to the caller or authorized third party. See IRM 21.7.13.3.3. for disclosure to third parties. If the taxpayer and/or authorized representative requests an immediate written confirmation of their EIN, mail or fax it accordingly.
A previously assigned EIN <ul style="list-style-type: none"> o Is found, and o The assignment of the EIN is within a two week period 	Advise the caller to allow time for the receipt of the generated CP 575 verifying an EIN assignment. EXCEPTION: If the taxpayer and/or their authorized representative requests an immediate written confirmation of their

- And the account has not posted to the Master File
 EIN, mail or fax it accordingly.
EXCEPTION: If the taxpayer received an EIN using the online application and elected to receive the CP 575 online but experienced a problem saving or printing the notice, send the taxpayer Letter 147C since a CP 575 notice will not be mailed. If the taxpayer or their authorized representative requests an additional fax confirmation in this situation, fax it accordingly.

A previously assigned EIN is found on CC NAMEE/NAMEB, but the EIN has dropped off Master File due to inactivity. Reactivate the EIN using CC ENMOD/ENREQ TC 000 procedures. See IRM 21.7.13.4.2.6.

A previously assigned EIN is found, and a change in entity classification, status, and/or ownership is indicated. See IRM 21.7.13.4.3, *Entity Classification and Ownership Changes*

- Is found, and
- A change in entity classification, status, and/or ownership is indicated

Two EINs are found. See IRM 21.7.13.6.3, *Consolidating Duplicate EINs*.

IRM 21.7.13.5.11.4 (1) - Deleted paper or phone from note

1. Follow the steps in the table below to determine if an EIN is needed for a UBO/BTO.

NOTE: Ensure all required information is provided including the SSN/ITIN of the trustee, grantor, or manager of the entity.

Step	Action
1	Verify that the SSN/ITIN provided is valid for the person specified on the application using: <ul style="list-style-type: none"> ○ CC INOLE ○ CC NAMEI

	<ul style="list-style-type: none"> ○ CC NAMES <p>See IRM 21.7.13.4.2.</p>
2	<p>Is the SSN/ITIN valid and is all other required data provided, including type of entity being established?</p> <ul style="list-style-type: none"> ○ If yes, assign an EIN. ○ If <i>no</i>, notify the taxpayer that an EIN cannot be issued because Treas. Reg. § 301.6109-1(a)(l) states that an EIN is required for business purposes only. Inform the taxpayer that information on Form SS-4, such as SSN/ITIN, business operational date, fiscal year month (FYM), and principal activity is required under § 301.6109-1(d)(2).

IRM 21.7.13.5.14 (4) - Updated guidance to reflect the discontinuance of EIN Assignment via phone

4. In an effort to correctly identify these agents, the Form SS-4 instructions advise Section 3504 agents for HCSRs to check the "Other" box and enter "Household Employer Agent ". If the agent is a government entity, the SS-4 instructions require the agent also to check the box for State/local government.