

IRM PROCEDURAL UPDATE

DATE: 01/29/2015

NUMBER: WI-21-0115-0210

SUBJECT: MFT 32; ERS/Rejects

AFFECTED IRM(s)/SUBSECTION(s): 21.4.1

CHANGE(s):

IRM 21.4.1.3.1(1) - Note regarding MFT 32.

1. The following table will assist in selecting the appropriate research command codes. For additional information on these CCs, see IRM 2.3.1, *Section Titles and Command Codes for IDRS Terminal Responses*. Research should be done for valid and invalid segments. This list is not all inclusive.

NOTE: Be aware of possible MFT 32 involvement. See IRM 21.4.1.3.1.2, *Return Found/Not Processed*, for additional information.

Integrated Data Retrieval System (IDRS) Command Codes	CFOL Command Codes
<p>ENMOD: Displays entity information. Displays some letters sent and may show if the account is located in Rejects/Error Resolution System (ERS).</p> <p>NOTE: If a "-Z" Freeze is present, see IRM 21.5.6.4.52, <i>-Z Freeze</i>. # [REDACTED]</p> <p># TC 971 action code descriptions can be found in Document 6209, Section 8, TC 971 Action Codes.</p> <p>NOTE: See Exhibit 2.3.15-18, <i>ENMOD-Entity Posted Transaction Display</i>, or Exhibit 2.4.19-2, <i>CC REQ77 Response</i>, for information on the placement of the MISC field on CC ENMOD and CC FRM77.</p>	<p>IMFOLE: Displays various indicators and freeze codes as well as posted transactions in the entity.</p> <p>NOTE: If a "-Z" Freeze is present, see IRM 21.5.6.4.52, <i>-Z Freeze</i>. # [REDACTED]</p> <p># TC 971 action code descriptions can be found in Document 6209, Section 8, TC 971 Action Codes .</p> <p>NOTE: See Exhibit 2.3.51-13, <i>Command Code IMFOL Output Display - Entity</i>, for more information.</p>

<p>SUMRY: Displays all tax modules available on IDRS.</p>	<p>IMFOLI: Index of tax years available to research as well as in retention.</p>
<p>TXMODA: Displays any pending/posted transactions, freeze conditions, open control bases, history items, etc., on specific tax periods.</p> <p>NOTE: # [REDACTED]</p> <p>[REDACTED]</p> <p># TC 971 action code descriptions can be found in Document 6209, Section 8, TC 971 Action Codes .</p>	<p>IMFOLT: Specific tax period information. The literal DAILY or WEEKLY will appear in the upper right hand corner of the screen to indicate how the tax return was processed. See IRM 21.4.1.3.2, <i>Return/Refund Located</i>, for processing information.</p> <p>NOTE: # [REDACTED]</p> <p>[REDACTED]</p> <p># TC 971 action code descriptions can be found in Document 6209, Section 8, TC 971 Action Codes .</p> <p>NOTE: See Exhibit 2.3.51-13, <i>Command Code IMFOL Output Display - Entity</i>, for more information. Any TC 29X input with a money amount or with a credit reference number will cause the account to become weekly; whereas a TC 290 .00 will not change the existing status.</p>
<p>FFINQ: Identifies whether the return has been received.</p> <p>NOTE: The following fact-of-filing refund status codes can be found on line 6 of the CC FFINQ display:</p> <ul style="list-style-type: none"> ○ K1 - Indicates return received and the normal processing time frame for the type of return filed (paper is 6 weeks, electronic (ELF) is 3 weeks) has not passed; or an ELF return was received and the normal processing time 	<p>IMFOBT: Used to obtain the routing transit number and account number on refund inquiries concerning direct deposit issues.</p>

<p>frame of 3 weeks has expired. (The taxpayer is provided with a call back number after the 3 weeks have passed for the ELF return.)</p> <p>NOTE: For information regarding "fact-of-filing reference codes" see IRM 21.4.1.5, <i>Internet Refund Fact of Filing</i></p> <ul style="list-style-type: none"> ○ K2 - Paper refund return filed and the 6 week waiting period has expired. When the return reaches this point, the taxpayer is advised the return is still being processed and a refund date will be provided when available. <p>NOTE: For information regarding "fact-of-filing reference codes" see IRM 21.4.1.5, <i>Internet Refund Fact of Filing</i></p> <ul style="list-style-type: none"> ○ K4 - FREEZE-INDICATOR> is present on line 7 of CC FFINQ. ○ K5 - Refund return filed and in ERS. For more information on ERS/Rejects see IRM 21.4.1.3.1.2.2, <i>Returns Located on Rejects or Error Resolution System (ERS)</i>. 	
<p>REINF: Displays refund amount, filing status, scheduled mailing date, etc.</p>	<p>INOLE: Entity information-cross referenced with Social Security Administration (SSA) data. Use for disclosure research to verify Taxpayer Identification Number (TIN), name as it appears on return, address as it appears on return or modified on IRS records,</p>

	and Date of Birth (DOB).
ERINV @XX: Use to research accounts in Rejects/ERS.	<p>TRDBV: Verifies receipt of IRS e-file tax returns. Shows accepted and rejected <i>e-file</i> returns.</p> <p>NOTE: If no return information is available on CC TRDBV, use the Modernized e-File (MeF) Return Request Display (RRD) to verify receipt of a MeF return. RRD displays specific tax return and status information for tax returns processed through MeF. See IRM 21.2.2.4.4.9, <i>Modernized e-File (MeF) Return Request Display (RRD)</i>, for further information regarding RRD access.</p>
UPTIN @XX Use to research unpostable transaction codes.	RTVUE: Shows line-by-line display of taxpayers figures as well as changes made during processing. Refer to Document 6209, Section 9, Notices and Notice Codes, for a list of math errors.
NAMEI/NAMEB: Research National Name Search Facility.	NAMES/NAMEE: Use for research when no information on the valid TIN .

NOTE: Do not use CC "MFREQC" just to locate the return or to research the account. Use the CC "MFREQC" when inputting transactions, opening required control bases, entering required history notes, and so forth on your local IDRS or the Taxpayer Information File (TIF).

REMINDER: If taxpayer filed a Form W-7, *Application for IRS Individual Taxpayer Identification Number (ITIN)*, with their return, see IRM 3.21.263.7.2, *Inquiries Regarding Status of Application*.

IRM 21.4.1.3.1.2.2 - ERS/Rejects tax examiners do not make phone calls to taxpayers.

1. ERS is a Submission Processing function designed to correct taxpayer and processing errors on tax returns prior to posting. Rejects are returns or documents which cannot be processed, usually due to missing or incomplete information. ERS is the computer tracking system used by the Submission Processing Centers Reject/Suspense Unit to categorize and resolve rejects.

- ERS/Rejects tax examiners correspond with taxpayers for additional information but do not make phone calls to taxpayers.
2. CC ENMOD and CC TXMOD will aid in identifying cases in the Rejects Inventory. CC ENMOD and TXMOD will display the following information:
 - a. RJ 150: Appears in the Pending Return Section with an ERS Status Code on CC TXMOD and the Transaction Section on CC ENMOD, see Exhibit 21.4.1-1, *Error Resolution System (ERS) Status Codes*. It identifies a return sent to the Reject Unit because it cannot be processed.
 - b. Immediately below the RJ 150 is the Reject Sequence Code: "C" = Closed, "O" = Open, "S" = Suspense, or "E" = ERS workable record. If a "C" shows, check CC IMFOLT to see if the refund has been issued. If a return has not been corrected within eight weeks of the RJ 150 date, it is considered overaged.
 - c. 000000000: Indicates the Reject Sequence Number.
 - d. ENMOD will identify the letter written and the paragraphs selected.
 3. CC FFINQ aids in determining whether a return has been sent to ERS. See IRM 21.4.1.3.1.2.4, *Error Resolution System (ERS) STATUS CODES*.

CAUTION: Be careful not to confuse the filing status code with the "FOF-Status-Code."

4. CC UPTIN will identify when a return is sent to the Rejects Unit by the Unpostable Function. The return will be identified with the Unpostable Resolution Code (UPC) "8".

IRM 21.4.1.3.1.2.4 - ERS/Rejects addresses/fax numbers; status codes 224, 324 and 424; 5 business days to 10 working days; and re-arranged information.

1. Review the CC ERINV screen for the status codes. The following provides some of the most common ERS status codes and their time frames. Be sure to give taxpayer the correct time frames via telephone or "C" letter. For additional codes and time frames, see Exhibit 21.4.1-1, *Error Resolution System (ERS) STATUS CODES*, or Exhibit 21.4.1-2, *Error Resolution System (ERS) Action Codes (For use by ERS/Reject Unit)*.

NOTE: For any ERS Status Code not specifically noted below, allow the normal return processing time frame to pass before submitting a Form 4442, *Inquiry Referral*, to ERS. If the original return was processed in Andover, refer to Cincinnati; if the original return was processed in Philadelphia, refer to Ogden.

If the Status Code is	And	Then
100	It is an unworked error record that is usually a	1. Advise taxpayer to allow normal processing time

	<p>simple problem that is corrected in three to four days.</p>	<p>and to visit Where's My Refund at irs.gov, or from the IRS2Go phone application from a smart phone, for current information. Where's My Refund can inform the taxpayer of the projected date of the refund. Also advise the taxpayer not to call before the normal processing time frames have passed as no additional information will be available.</p> <ol style="list-style-type: none"> 2. If problem is not resolved, taxpayer will receive a letter during normal processing time explaining any additional requirements.
221/224	<p>The taxpayer received correspondence. The case is in unworkable suspense and waiting for the taxpayer's response.</p> <p>NOTE: Taxpayers will be contacted via Letter 12C, <i>Individual Return Incomplete for Processing: Form 1040, Form 1040A and 1040EZ</i>. CC ENMOD will display the selective paragraphs input on these letters except for selective paragraph "i" which is used for a narrative fill-in.</p>	<ol style="list-style-type: none"> 1. Advise taxpayer to provide requested information; AND 2. Advise them of the four week time frame. The case will remain in suspense for 40 workdays.
221/224	<p>The taxpayer did not receive correspondence.</p>	<ol style="list-style-type: none"> 1. Check CC ENMOD to determine if a letter was prepared. If a letter was prepared, and it has been 14 days or less from this

		<p>date, inform the taxpayer he/she will receive a letter within the next 2 weeks. Do not prepare Form 4442, <i>Inquiry Referral</i>, until more than 14 days have passed from letter preparation. If the address has changed, see (5) below.</p> <ol style="list-style-type: none"> 2. If a letter was prepared more than 14 days ago, prepare Form 4442, <i>Inquiry Referral</i>, and fax to ERS/Rejects. Advise taxpayer to expect a letter within three weeks. 3. If CC ENMOD indicates no letter was sent, and CC ERINV shows the remaining days in suspense is greater than 30 days, DO NOT prepare a Form 4442, <i>Inquiry Referral</i>. Inform the taxpayer they will receive a letter within the next 2 weeks. If the address has changed, see (5) below. 4. If CC ENMOD indicates no letter was sent, and CC ERINV shows the remaining days in suspense to be 30 days or less, prepare Form 4442, <i>Inquiry Referral</i>, and fax to the appropriate ERS/Reject Unit. Advise taxpayer to expect a letter within three weeks. 5. Verify taxpayer's address. If it is a different address than the one on the original tax return, indicate the new address on Form 4442, <i>Inquiry Referral</i>. See IRM 3.13.5.28, <i>Address Changes from Oral</i>
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		<p><i>Statements/Telephone Contact</i>, for oral statement authority information. If the taxpayer does not meet oral statement authority for the address change, advise the taxpayer to obtain Form 8822, <i>Change of Address</i>, per IRM 21.3.6.4.1, <i>Ordering Forms and Publications</i>, and mail the form to the center where they filed their return. If the taxpayer filed electronically, provide the IRS address based on which state they would have sent a paper return.</p>
If the Status Code is:	And	Then
321/324	No reply has been received	<p>1. Reject Unit will work the case without the requested information.</p> <p>2. It should be worked in 10 business days.</p> <p>3. Advise taxpayer if they do not receive correspondence or the refund in four weeks to contact us again.</p>
421/424	Correspondence has been received.	Cases should be worked in 10 business days . Taxpayer should receive a refund within four weeks .

2. Make referrals to ERS/Rejects on Form 4442, *Inquiry Referral*, when correspondence was sent to the taxpayer requesting missing information and he/she did not receive the correspondence and the case is still in ERS. If the taxpayer has moved and has a different address than the one on the original tax return, , indicate the new address on the Form 4442, *Inquiry Referral*. Inform the taxpayer he/she will be contacted within 21 days.

REMINDER: If ERS/Rejects has closed the case, they cannot help the taxpayer.

3. If the case is open in ERS/Rejects status 221/224 and more than 4 weeks have passed since the taxpayer responded to the notice, **OR**, the case is open in ERS/Rejects status 321/324/421/424 and more than 4 weeks have passed since the taxpayer was told they would receive either a refund or a notice, use the following chart and advise the taxpayer to re-send/re-fax the previously requested information. Tell the taxpayer to include a copy of the original letter. The address/fax numbers are based on the file location code (FLC). Inform the taxpayer he/she will be contacted within 30 days.

ERS/Rejects File Location Codes Addresses and Fax Numbers			
FLC	Location	Address	Fax Number
18, 20, 21, 75, 76	Austin	Internal Revenue Service 3651 South Interregional Highway 35 Austin, TX 78741 Attn: SP Rejects Team	1-855-204- 5020
14, 16	Cincinnati	Internal Revenue Service 201 West Rivercenter Boulevard Covington, KY 41011 Attn: SP Rejects Team	1-855-262- 0485
10, 80, 89, 90, 99	Fresno	Internal Revenue Service 5045 East Butler Avenue Fresno, CA 93727 Attn: SP Rejects Team	1-855-290- 2258
09, 36, 43, 70, 79	Kansas City	Internal Revenue Service 333 Pershing Road Kansas City, MO 64108- 4302 Attn: SP Rejects Team	1-855-892- 7588
30, 32	Ogden	Internal Revenue Service 1973 N. Rulon White Boulevard Ogden, UT 84404	1-855-309- 9361

		Attn: SP Rejects Team	
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4. If the case remains open in ERS and no actions have been taken to resolve the taxpayer's inquiry after multiple taxpayer contacts or the taxpayer is experiencing a financial hardship, consider referring the case to the Taxpayer Advocate Service (TAS). Refer to IRM 21.1.3.18, *Taxpayer Advocate Service (TAS) Guidelines*.