



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

21.6.2

SEPTEMBER 6, 2023

EFFECTIVE DATE

(10-02-2023)

PURPOSE

- (1) This transmits a revised IRM 21.6.2, Individual Tax Returns, Adjusting TIN-Related Problems.

MATERIAL CHANGES

- (1) IRM 21.6.2.1.6, added new Correspondence Imaging Inventory (CII) acronym. IPU 22U1039 issued 10-24-2022.
- (2) IRM 21.6.2.1.7, updated IRM link and title from general to a specific required research reference. Changed paragraph 2 to a bullet list.
- (3) IRM 21.6.2.2, updated IRM link and title from general to a specific required research reference. IPU 23U0826 issued 07-13-2023.
- (4) IRM 21.6.2.3, added CC IMFORT and MFTRA for researching accounts. IPU 23U0807 issued 07-07-2023.
- (5) IRM 21.6.2.3.1, added to elevate to AM HQ analyst when either account has 25 or more active modules. IPU 23U0807 issued 07-07-2023.
- (6) IRM 21.6.2.3.1, removed to elevate when 25 or more active modules. IPU 23U0826 issued 07-13-2023.
- (7) IRM 21.6.2.4.1, added caution to not use TC 040 when TC 960's for MFT 55 are present as it does not bypass resequencing delays.
- (8) IRM 21.6.2.4.1.2, revised to generate 4442/e4442 on most recent account module per SERP feedback 8537. IPU 23U0807 issued 07-07-2023.
- (9) IRM 21.6.2.4.2, updated IRM link and title from general to a specific required research reference. IPU 23U0826 issued 07-13-2023.
- (10) IRM 21.6.2.4.2.1, added IRM link and reference when TC 898 is present prior to taking any action. IPU 23U0826 issued 07-13-2023.
- (11) IRM 21.6.2.4.2.3, added reminder to refer to IRM 25.6.1.6.14, Criteria for Establishing a Statute of Limitations Period, prior to any adjustment per SERP feedback 8827. Revised to include when reactivation results in 25 or more active modules on either the "to" or "from" account, do not reactivate any modules per SERP feedback 10630. IPU 23U0807 issued 07-07-2023.
- (12) IRM 21.6.2.4.2.3, added para and link when tax module contains TC 896/898 offset and requires an adjustment per SERP feedback 11558. IPU 23U0826 issued 07-13-2023.
- (13) IRM 21.6.2.4.3, updated IRM link and title from general to a specific required research reference. IPU 23U0807 issued 07-07-2023.
- (14) IRM 21.6.2.4.3, revised paragraph and references when determining a case is IDT. Moved bullet item to new paragraph with list of required documents when reassigning a case as SCRM. IPU 23U0826 issued 07-13-2023.

- (15) IRM 21.6.2.4.3, added reference to define True Scrambled and Default True Scrambled accounts.
- (16) IRM 21.6.2.4.3.1, updated references when TP claim of IDT is received in response to 239C. IPU 23U0826 issued 07-13-2023.
- (17) IRM 21.6.2.4.3.2, removed note for requesting additional documentation to support claim of IDT. IPU 23U0826 issued 07-13-2023.
- (18) IRM 21.6.2.4.3.3, added reminder that residual cases require completed 239C responses prior to releasing a refund or unlocking the account. IPU 23U0826 issued 07-13-2023.
- (19) IRM 21.6.2.4.3.3, revised required documentation to support taxpayer identity.
- (20) IRM 21.6.2.4.3.10, added E-Fax numbers to send Form 3857 packages. IPU 23U0826 issued 07-13-2023.
- (21) IRM 21.6.2.4.3.12, removed para for AM IDTVA to resolve any TPP issues. Updated to include residual accounts and requirement for completed 239C response prior to unlocking an account. IPU 23U0826 issued 07-13-2023.
- (22) IRM 21.6.2.4.4.14, updated title to include NMRG-FTHBCR transcripts.
- (23) IRM 21.6.2.4.4.15, updated title.
- (24) IRM 21.6.2.4.5, added link to Advance ACTC to consider when working transcripts.
- (25) IRM 21.6.2.4.6.1, removed link and reference to IDT procedures when TC 898 is 6 years or older. Added a caution when TC 898 is 6 years or older to contact TOP Liaison. IPU 23U0826 issued 07-13-2023.
- (26) IRM 21.6.2.4.6.1, moved unreported tip income to separate bullet. Added IRM links for SE income and unreported tip income.
- (27) IRM 21.6.2.4.7.2, added reminder to include XREF-TIN in ADJ54 screen when secondary taxpayer RC used to ensure entity transaction updates. IPU 22U1039 issued 10-24-2022.
- (28) IRM 21.6.2.4.8.2, added reminder to include XREF-TIN in ADJ54 screen when secondary taxpayer RC used to ensure entity transaction updates per SERP feedback 6124. IPU 22U1039 issued 10-24-2022.
- (29) Editorial changes were made throughout the IRM for clarity. Reviewed and updated plain language, gender neutral language, grammar, web addresses, IRM references, and legal references.

EFFECT ON OTHER DOCUMENTS

IRM 21.6.2, Individual Tax Returns, Adjusting TIN-Related Problems, dated September 1, 2022 (effective October 1, 2022) is superseded. The following IRM Procedural Updates (IPUs) have been incorporated into this IRM: 22U1039 effective 10-24-2022, 23U0807 effective 07-07-2023, 23U0826 effective 07-13-2023.

AUDIENCE

All employees performing account/tax law work

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21.6.2

Adjusting TIN-Related Problems

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21.6.2.1
(10-01-2021)
**Adjusting TIN-Related
Problems Scope and
Objectives**

- (1) **Purpose:** This IRM covers information on Taxpayer Identification Number (TIN)-related problems - Resequencing Accounts, Mixed Entity (MXEN), Scrambled Social Security Numbers (SCRM), No Merge (NMRG) and Reversed Validity (REVAL) Transcripts. This section covers the identification and resolution of TIN-related problems.
- (2) **Audience:** The primary users of this IRM are all employees in Business Operating Divisions (BOD) who are in contact with taxpayers by telephone, correspondence or in person.
- (3) **Policy Owner:** The Director of Accounts Management is the policy owner of this IRM.
- (4) **Program Owner:** Accounts Management Policy and Procedures IMF (PPI) Individual Adjustments is the program owner of this IRM.
- (5) **Primary Stakeholders:** The primary stakeholders are organizations that Accounts Management collaborates with, for example:
 - Return Integrity and Verification Operations (RIVO)
 - Compliance
 - Submission Processing (SP)
- (6) **Program Goals:** Program goals for this type of work include;
 - Achieving a high customer accuracy rate for phone calls and research and resolution of TIN-Related problems
 - Efficiency in resolving TIN-related account problems
 - Continuous assessment for program vulnerabilities and opportunities for improvement
 - Effective communication with customers

Refer to the *Accounts Management Program Letter* and IRM 1.4.16, Accounts Management Guide for Managers, for more information.

21.6.2.1.1
(08-24-2017)
Background

- (1) Employees in the Accounts Management (AM) organization respond to taxpayer inquiries and phone calls as well as process claims and other internal adjustment requests.

21.6.2.1.2
(10-01-2021)
Authority

- (1) The authorities for the IRM include:
 - Policy Statement 21-1, Service Commitment to Taxpayers Service Program
 - Policy Statement 21-2, The public impact of clarity, consistency, and impartiality in dealing with tax problems must be given high priority
 - Policy Statement 21-3, Timeliness and Quality of Taxpayer Correspondence
 - Policy Statement 21-4, One-stop service defined
 - Policy Statement 21-5, Assistance furnished to taxpayers in the correction of accounts

21.6.2.1.3
(10-01-2021)
Responsibilities

- (1) The Wage and Investment Commissioner oversees all policy related to this IRM, which is published on an annual basis.
- (2) The Accounts Management Director oversees the instructions to the employees contained in the IRM content.

- (3) Accounts Management Policy and Procedures IMF (PPI) Individual Adjustments (IA) Tax Analyst(s) oversees the content in this IRM and acts as a point of contact for all Accounts Management sites.
- (4) Managers and leads ensure compliance with the guidance and procedures in this IRM for taxpayer inquiries, researching, taxpayer contacts, and that TIN-related problem cases are resolved timely
- (5) Employees respond to taxpayer inquiries, generate correspondence, identify and resolve TIN-related problems following procedures in this IRM.

21.6.2.1.4
(02-04-2022)

Program Management and Review

- (1) **Program Effectiveness:** Program Effectiveness is measured and controlled through:
 - a. Managerial reviews
 - b. Quality reviews
 - c. Quarterly reviews by Accounts Management Policy and Procedures IMF (PPI) Individual Adjustments (IA) Tax Analyst(s)

21.6.2.1.5
(01-17-2020)

Program Controls

- (1) Program Controls: Goals, measures and operating guidelines are listed in the yearly Program Letter. Quality data and guidelines for measurement is referenced in IRM 21.10.1, Embedded Quality (EQ) Program for Accounts Management, Campus Compliance, Field Assistance, Tax Exempt/Government Entities, Return Integrity and Verification Operations (RIVO) and Electronic Products and Services Support.

21.6.2.1.6
(10-24-2022)

Acronyms

- (1) For a comprehensive listing of any IRS acronyms, refer to the *Acronym Database*.
- (2) Some of the acronyms used in this IRM:

Acronym	Definition
ATIN	Adoption Taxpayer Identification Number
ASED	Assessment Statute Expiration Date
CC	Command Code
CDS	Centralized Distribution Site
CII	Correspondence Imaging Inventory
CN	Common Number
DM-1	Data Master One
HQ	Headquarters
ICM	Inventory Control Manager
IDRS	Integrated Data Retrieval System
IDTVA	Identity Theft Victim Assistance
IMF	Individual Master File
IRC	Internal Revenue Code
IRSN	Internal Revenue Service Number

Acronym	Definition
ITIN	Individual Taxpayer Identification Number
LITC	Low Income Taxpayer Clinic
MF	Master File
MFR	Mail Filing Requirement
MXEN	Mixed Entity
MXSP	Mixed Entity Spanish
NC	Name Control
NMRG	No Merge
POC	Point of Contact
REVAL	Revalidation
RRR	Retention Register Request
RTS	Real Time System
SCI	Scrambled SSN Indicator
SCRM	Scrambled SSN
SSA	Social Security Administration
SSN	Social Security Number
TC	Transaction Code
TDA	Taxpayer Delinquency Account
TDI	Taxpayer Delinquency Investigation
TIN	Taxpayer Identification Number
UPC	Unpostable Code

21.6.2.1.7
(10-02-2023)

Related Resources

- (1) For help working TIN-related problem cases you may need to refer to:
 - IRM 3.13.5, Individual Master File (IMF) Account Numbers
 - IRM 3.21.263, IRS Individual Taxpayer Identification Number (ITIN) Real Time System (RTS)
 - IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview
- (2) The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with the following and acting in accord with taxpayer rights.
 - IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights.
 - For additional information about the TBOR, see *Taxpayer Bill of Rights*.

21.6.2.2
(07-13-2023)

What Are TIN-Related Problems?

- (1) TIN-related problems involve moving taxpayer information from one TIN to another or from one segment of a TIN to another. Actions are required on the entity and/or tax module to correct TIN-related problems.

Reminder: For Identity Theft (IDT) paper cases, see IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview. For phone calls indicating Identity Theft see IRM 25.23.12.2, Identity Theft Telephone General Guidance.

- (2) Case types addressed in this section include:

- Resequencing Accounts - One taxpayer has two TINs or two segments of the same TIN that need to be merged
- Mixed Entity (MXEN) and Mixed Entity Spanish (MXSP) - Two taxpayers file a return with the same TIN, ownership determination can be made and no ID Theft is indicated
- Scrambled SSN (SCRM) - Two taxpayers were given the same Social Security Number (SSN) by the Social Security Administration (SSA)
- No Merge (NMRG) - One taxpayer has two TINs that need to be merged but a NMRG condition exists preventing the merge

- (3) This section addresses the following TIN types unless otherwise indicated:

- Social Security Number (SSN), see IRM 3.13.5.21, Social Security Number (SSN) Format
- Individual Taxpayer Identification Number (ITIN), see IRM 3.13.5.22, Individual Taxpayer Identification Number (ITIN) Format
- Internal Revenue Service Number (IRSN), see IRM 3.13.5.23, Internal Revenue Service Number (IRSN) Format
- Adoption Taxpayer Identification Number (ATIN), see IRM 3.13.5.24, Adoption Taxpayer Identification Number (ATIN) Format

- (4) See IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria, to determine if the case should be referred to TAS. See IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines, for additional information.

21.6.2.3
(07-07-2023)

TIN-Related Problems Research

- (1) TIN information for SSNs and ITINs may be posted on the valid or invalid segment of Master File (MF). IRSNs are temporary numbers issued by the IRS and are always on the invalid segment of MF. The invalid segment is indicated by an asterisk (*) following the last digit of the TIN. It is necessary to address both the valid and invalid segments of MF when adjusting TIN-related problems. For additional information see IRM 3.13.5.12, Valid and Invalid Segment for the Individual Master File (IMF).

- (2) To correct TIN-related problems, you must be familiar with the following research elements:

- Entity module
- Transaction codes
- Retention register - Request a retention register transcript only if the account cannot be reactivated by using Command Code IMFOL with definer "B"
- IDRS Command Codes (CC), including but not limited to, NAMES, INOLE, IRPTR, DDBKD, DUPOL, MFTRA, IMFOL, IMFOR, RTVUE, TRDBV, FFINQ, REINF, with various definers

- NUMIDENT (for SSN research only)

Caution: NUMIDENT is for internal use only. **Never** send any NUMIDENT to the taxpayer.

- (3) The research necessary for accurately processing a TIN-related problem case includes, where applicable, and is not limited to the following systems:

- Correspondence Imaging Inventory (CII) to research all related cases and attached documents.

Caution: Whenever possible, multiple claims from the same taxpayer should be processed by the same employee. Coordination of same taxpayer, multi-year claims is necessary to ensure consistent processing. See IRM 21.5.2.3, Adjustment Guidelines - Research, for additional information.

- ITIN Real Time System (RTS) to research and review data related to assigned, suspended and/or rejected Form W-7, Application for IRS Individual Taxpayer Identification Number. See IRM 3.21.263.5.7, Status Codes, IRM 3.13.5.83.7, Accessing the ITIN Real Time System (RTS), and IRM 3.21.263.9, General Instructions for ITIN Real-Time System (RTS) Navigation, for additional information.

Note: The Form W-7 application's Document Locator Number (DLN) is only available on RTS.

- Accounts Management Services (AMS) to research all prior taxpayer contacts.

- (4) Research for:

- Number of years the TIN has been used for filing returns
- Previous names
- Filing status changes
- Method of filing, electronic or paper
- Previous adjustments
- Previous addresses
- Filing dates of original and duplicate returns
- TC 971 Transaction Codes
- All related TINs for all tax years
- Dependents
- Income information
- Employer information
- Schedules and forms filed
- Date of birth

When working ITIN cases, you must also research under the relevant SSN used for income reporting.

- (5) When two or more taxpayers are involved, make every effort to locate the correct TIN for each taxpayer before contacting them.
- (6) Do not determine the validity of a Social Security card on the basis of the word "VOID" on the photocopy. Placing the word "VOID" on a photocopy of a recently issued Social Security card simply indicates that the document is a photocopy of the original card.

21.6.2.3.1
(07-13-2023)
NMRG Conditions

- (7) When resolving TIN-related problems, you may also need to refer to IRM 3.13.5, Individual Master File (IMF) Account Numbers, IRM 3.21.263, IRS Individual Taxpayer Identification Number (ITIN) Real Time System (RTS), and IRM 25.23.2.3.5, Identity Theft Research.

- (1) Research may show an OPEN control base on CC TXMOD or CC ENMOD. **ALWAYS** contact the employee with the open control base prior to taking any actions on the account.

Caution: If there are any “NMRG” controls, do not take any account actions. Refer as appropriate.

- (2) Use caution when moving accounts. Improper attempts to resequence accounts when a NMRG condition is present causes the merge to fail and a NMRG transcript to generate.

- (3) **The following conditions must be resolved before resequencing an account:**

Exception: If merging from one TIN to another and none of the conditions below exist but monitoring is required, toll-free assistors and Taxpayer Assistance Center (TAC) employees must submit/send a Form 4442/e-4442, Inquiry Referral to the Campus AM paper function within their Directorate. Do not input any merge transactions or take additional steps when a referral is required. Use “Merge Request” as the referral type. Provide the caller with a 30 day timeframe for contact. Do not refer to NMRG unless conditions in (4) also exist.

- Either account contains Scrambled SSN Indicator (SCI) 01, 10, 12, 13, 20 or 23. See *IDRS Command Code INOLE Job Aid*, Definer “S” for location of SCI. Update CII case as SCRM and reassign. Toll-free assistors initiate a Form 4442/e-4442 referral to the SCRM Unit. See IRM 21.6.2.3.3, Telephone Inquiries Regarding Mixed Entity (MXEN) and Scrambled SSN (SCRM) Cases.
 - Either account contains an unreversed TC 914, 916, or 918 (Z freeze). See IRM 21.5.6.4.52, -Z Freeze.
 - For Mixed Entity cases see IRM 21.6.2.3.3, Telephone Inquiries Regarding Mixed Entity (MXEN) and Scrambled SSN (SCRM) Cases.
- (4) Employees working CII cases, with the following conditions on the accounts, reassign the case through CII. Toll-Free assistors and TAC employees must initiate a Form 4442/e-4442 referral to **NMRG**. Do not input any merge transactions or take additional steps when a referral is required. See IRM 21.6.2.3.4, Reassignment of NMRG Cases due to Site Specialization.

Note: Do not reassign a case to NMRG for resolution when the *only* issue on an account is a name control or date-of-birth mismatch, *unless* there is also a NMRG issue that requires reassignment.

- A TC 150 for the same tax period is posted on both the “from” and “to” accounts.
- Either account contains a module with an M- freeze and there is a module for the same tax period on the other account.

- One account contains a module with a -Q freeze and the other account contains a module for the same tax period which either contains an unreversed TC 570 or is in a debit balance status.
- Both accounts contain a module for the same tax period with a -V freeze (unless one or both TC 520(s) has a closing code 81).
- Both accounts contain an unreversed TC 930 or TC 424 on the same tax period or one account contains an unreversed TC 930 and the other account contains an unreversed TC 424.
- The “from” account contains an unreversed TC 898 posted within the last six years on CC TXMOD or an Unpostable Code (UPC) 134-3 on CC ENMOD.
- Both modules contain an unreversed TC 608 on MFT 55.
- Both accounts contain an MFT 32 module for the same tax period.
- Both accounts contain a module in Taxpayer Delinquency Investigation (TDI) Status 03 (indicator other than 08) and/or Taxpayer Delinquency Account (TDA) Status 22, 24, 26 or 60 and the Primary Location Codes (PLC) are not in agreement. PLC can be located on CC IMFOLE.
- **Either** account contains more than 25 active modules.

21.6.2.3.2
(02-06-2018)
Determining Validity

- (1) If the primary TIN and name control (NC) do not match (invalid), they are identified by an asterisk “*” after the TIN.
- (2) On IMF Retention Register Microfilm transcripts, the computer assigns a validity digit of “0” when TIN and NC match (valid). A validity digit of “1” is assigned when TIN and NC do not match (invalid).
- (3) When the Data Master One (DM-1) data tape file is received, it is systemically compared to the invalid segment of MF.
 - a. Any change in an account’s validity causes a resequence under TC 001 and generates a Document Locator Number (DLN) of 00200–000–00006–0.
 - b. A residual record is maintained on the invalid segment after an account is resequenced.
 - c. The TIN slot is reserved until released by a returning memo record (TC 026) or the account fails to merge.

Note: For additional information see IRM 3.13.5.14, Data Master One (DM-1) File, and IRM 3.13.5.12.1, IMF Segmentation of Valid/Invalid Accounts.

- (4) Resequencing created by entity transactions is accomplished by a name change (TC 013) or a TIN change (TC 011) to MF.
 - a. A residual record is maintained on the “from” segment after the account is resequenced.
 - b. The TIN slot is reserved until released by a returning memo record (TC 026) or account fails to merge.
- (5) Resequenced accounts which fail to merge, return to their original validity slots.
 - a. Memo transactions (TC 026), resequencing to release the hold on residual account slots, are directed to the valid segment of MF from which the originating account came without regard to a match with SSA data.

- b. When accounts do not merge, a transcript generates for both accounts involved and the TC 026 transaction does not post.

Note: If the accounts fail to merge when DLN of 00200–000–00006–0 generates, the computer no longer recognizes the invalid segment. Adjustments made to the invalid TIN automatically post to the valid TIN. An Internal Revenue Service Number (IRSN) must be obtained and the valid or invalid TIN is moved to the IRSN.

- (6) Taxpayer accounts with the “NEWSSA N/C” literal may be **valid** accounts residing on the invalid segment of IMF. **All NEW SSA N/C, IRS VALID and ATIN accounts reside on the invalid segment until completion of the quarterly DM-1 merges.**

Note: The quarterly updates of the DM-1 File are done in January, April, July and November of each year.

The quarterly merges are scheduled in cycles 05, 15, 31 and 44. For additional information see IRM 3.13.5.16, Weekly NEW SSA Name Control (N/C) Indicator Files.

21.6.2.3.3
(10-03-2022)
**Telephone Inquiries
Regarding Mixed Entity
(MXEN) and Scrambled
SSN (SCRM) Cases**

- (1) A mixed entity case or scrambled SSN case controlled on IDRS can be identified by control categories MXEN, MXSP, SCRM or SSA2. On open cases, regardless of the result of the disclosure probes performed in IRM 21.1.3.2.3, Required Taxpayer Authentication, you cannot give out specific account information on the common number (CN) unless the taxpayer passes additional authentication. For additional information, see IRM 21.1.3.2.4, Additional Taxpayer Authentication. If the caller fails additional taxpayer authentication, you can provide general information on procedures and processing times. You can also accept information about which returns the caller filed.

Caution: Do not assume that the taxpayer calling is the true owner of the SSN. Determine if you are speaking with the taxpayer who filed the TC 150 or the TC 977 / 976 by asking questions related to the appropriate return and data on IDRS. The true owner of the SSN can only be determined by a CSR/TE who has been trained in working TIN-Related Problem cases and who makes the determination after all necessary research steps are taken. As a CSR on the toll-free line, you may have the experience to work TIN-Related Problem cases, but your duties on the toll-free line do not allow the extended amount of time necessary to perform complete research.

- (2) Toll-free assistors should **not** make adjustments or take any account actions on open controlled MXEN or SCRM accounts.
- **Do Not** input address change(s) on the account(s).
 - **Do Not** release overpayment(s) held on the account(s). If the taxpayer is claiming a hardship, refer the case to the Taxpayer Advocate Service (TAS) for hardship determination per IRM 21.4.4.3, Why Would a Manual Refund Be Needed?
 - **Do Not** attempt to resequence the account(s).
 - **Do Not** attempt to unscramble the account(s).
 - **Do Not** input adjustments.
 - **Do Not** release freeze conditions on the account.

Note: If the caller indicates they may be a victim of identity theft, refer to IRM 25.23.12.2, Identity Theft Telephone General Guidance, and the related subsections for information and guidance.

- (3) If a Letter 239C, TIN-Related Problem Resolution, has been sent and the taxpayer has not responded, advise the taxpayer to complete the questionnaire and return it with all the documentation requested. See IRM 21.6.2.4.3.3, Determining if the Refund Should be Released, for required documentation.
- (4) When appropriate, toll-free assistors should prepare Form 4442/e-4442 to refer taxpayer inquiries regarding open mixed entity (MXEN) and scrambled SSN (SCRM) cases to the controlling CSR, however, **do not** send a referral on an open CII case, instead, add the information as a CII case note (e.g., this is the taxpayer's first time calling and the required processing time frame has passed). To assist with the resolution of the case, obtain all pertinent information from the caller, including the following:
 - Whether the caller is responding to a letter or notice; for example, Letter 239C
 - The date the letter was issued
 - A telephone number(s) where the taxpayer can be reached and the best time for us to reach them
 - The current address, which may be the same as the address on the SSN owner's return
 - Information on whether the caller's return was filed electronically or by paper
 - The date the caller's return was filed and the amount of refund expected
 - Other pertinent information on the return that may assist the employee in resolving the case

Example: If the TIN was used by more than one family member, notate the name and correct TIN for each individual on Form 4442/e-4442.

Note: Do not prepare Form 4442/e-4442, Inquiry Referral, if this is the taxpayer's first time calling and the processing time frame has not passed. If the taxpayer is calling only to check on the status of their refund/claim and no additional information is provided, then provide an update on the status of the case based on your research and CII case notes.

Reminder: You cannot provide specific details on the case, but you can utilize CII cases notes to provide an expected time frame for resolution of the case.

- (5) If a referral is required on a MXEN / MXSP case while staffing the AM toll-free telephone line, or if you are located in a Taxpayer Assistance Center (TAC), prepare Form 4442/e-4442, Inquiry Referral, as follows:

If	Then refer Form 4442/e-4442 to
An open control	The employee with the open control. Note: Do not refer cases with IDRS numbers listed as temporary holding numbers in <i>AM Site Specialization Temporary Holding Numbers</i> . These are temporary holding numbers that are used as a result of the Site Specialization Process. For cases assigned to a temporary holding number, use the procedures below related to “no open control cases.”
No open control (The case is not assigned to an employee or is assigned to a temporary holding number.)	To the local campus AM paper function in your directorate.

- (6) If a referral is required on a Scrambled SSN (SCRM) case, prepare Form 4442/e-4442, Inquiry Referral as follows:

If there is...	Then refer Form 4442/e-4442 to...
An open control to an employee	The employee with the open control. Note: Do not refer cases with IDRS numbers listed as temporary holding numbers on the <i>AM Site Specialization Temporary Holding Numbers</i> . These are temporary holding numbers that are used as a result of the Site Specialization Process. For cases assigned to a temporary holding number, use the procedures below
An open SCRM control to a holding number or there is a Scrambled SSN Indicator on CC INOLES	To the Inventory Control Manager (ICM). The fax “IDTVA ICM”, and in the notes section of the fax cover sheet indicate “SCRM”.

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Caution: A referral should only be faxed to the Identity Theft Victim Assistance (IDTVA) ICM if there is no open control to an employee but there is a SCRM control or a Scrambled SSN Indicator on the account and the taxpayer is providing additional information that can assist in the resolution of the case. All other referrals are rejected back to the originator.

- (7) If the case is closed/resolved, you may provide account information to the TIN owner utilizing normal procedures. You may provide the TIN owner with the information from his/her return(s) only. Do not provide the TIN owner with information from returns belonging to other individuals (the mixed entity or scrambled SSN returns).
- (8) Low Income Taxpayer Clinics (LITCs) are independent from the IRS. They may be able to assist low income taxpayers in resolving issues with the IRS

involving a MXEN or SCRM case. LITCs may also provide information in different languages about taxpayer rights and responsibilities for individuals who speak English as a second language. IRS employees may refer a taxpayer to a particular LITC for assistance, or may refer the taxpayer to Publication 4134, Low Income Taxpayer Clinic List.

21.6.2.3.4
(02-04-2022)
**Reassignment of NMRG
Cases Due to Site
Specialization**

- (1) Cases involving certain merge issues are worked by the designated specialized sites. There are two types of cases involving merge issues:
 - Failed merge attempt, i.e., cases that generate a NMRG or REVAL transcript.
 - Potential NMRG cases identified prior to any attempted merge as indicated in IRM 21.6.2.3.1, NMRG Conditions.

- (2) Reassignment to the Centralized Distribution Site (CDS) holding number is performed systemically for cases that generate a NMRG or REVAL transcript. Refer to the *AM Site Specialization Temporary Holding Numbers* listing for the appropriate number.

- (3) Reassignment of potential NMRG cases to the NMRG CDS holding number is performed manually. Refer to the *AM Site Specialization Temporary Holding Numbers* listing for the appropriate number.

Note: Prior to reassigning the CII case to the holding number, you **must** notate the NMRG condition as a CII case note, update the doc type to No Merge, the category code to NMRG, and the program code to 710–40053.

- (4) If referring the case using Form 4442/e-4442, list No Merge (NMRG) as the reason for the referral and use Fresno as the site. Use the taxpayer's most recently filed tax year on the referral. If talking with the taxpayer, provide the NMRG timeframe of 150 days. Notate the timeframe provided **and** the NMRG condition on the Form 4442/e-4442.

- (5) If you do not have access to AMS, fax the Form 4442/e-4442 to Brookhaven

the notes section of the fax cover sheet indicate **NMRG/Potential NMRG**. In the Form 4442/e-4442 remarks section include a complete description of the reason for the referral.

Caution: If a referral is routed to the NMRG unit that does not meet NMRG referral criteria and does not include all required information, it is rejected back to the originator. The NMRG employee must annotate the reason for the rejection on the Form 4442/e-4442.

Reminder: If there is an open control on CII, and you have access, do not send a referral. Leave a CII case note with all the relevant information.

21.6.2.4
(04-27-2018)
**TIN-Related Problems
Procedures**

- (1) The procedures in the following subsections are used to correct TIN-related problems.

Caution: If there are any "NMRG" controls, on CC TXMOD or CC ENMOD, do not take any account actions. Refer as appropriate.

- (2) For ITIN merge procedures the *ITIN Merge Guide*, may be helpful.

21.6.2.4.1
(10-02-2023)

Resequencing Accounts

- (1) When an account moves from one TIN to another TIN or from one segment of a TIN (valid or invalid) to the other segment, it is called resequencing or merging. Specific tax periods **cannot** be moved independently. Do not attempt resequencing or merging for scenarios where the accounts of two taxpayers are involved such as a husband and wife, parent and child, sister and brother, two unrelated people, etc.

Note: See IRM 21.6.2.3.1, NMRG Conditions, to determine if conditions are present that would prevent a merge. If the case meets reassignment to NMRG criteria, do not take any action on the account. See IRM 21.6.2.3.4, Reassignment of NMRG Cases due to Site Specialization.

- (2) The following entity transaction codes (TC) apply to resequencing accounts:

Reminder: Research CC IMFOL definer **Q** for resequencing transactions to prevent duplicate input and/or unpostables. See *Document 6209 Section 8b-9*, Master File Codes (Unpostable and Resequence), for resequence transactions.

Caution: If TC 011, TC 013, TC 040 or TC 041 or any combination are preceded by EP, PN or RS, do not input another merge transaction.

Caution: On the “from” TIN CC IMFOL with definer “Q”, if there are any TC 960’s for MFT 55, the merge transaction can be input when not already present **and** the account **must** be elevated to the AM Headquarters (HQ) analyst through your local P&A following normal procedures. Allow 2 weeks for a response from AM HQ analyst containing further guidance before sending any follow-up. Include a current pdf of CC IMFOL with definer “Q” for each TIN when elevating.

See *Document 6209 Section 14-7*, Pending Transaction Identification Codes/IDRS Merge Related Transaction Codes, for additional information.

TC	Input to change
011	TIN on a Master File (MF) account or to consolidate two accounts. This transaction is systemically compared against the DM-1 data file. On CC INCHG, input only the new TIN to move the entire account. Input the transaction only once. For additional information see IRM 3.13.5.118, Taxpayer Identification Number (TIN) Changes (generates a TC 011).
013	Name on a MF account. This transaction is systemically compared against the DM-1 data file. For additional information see IRM 3.13.5.120.2, Completing Name Changes with CC INCHG/IAT. If multiple name changes are needed, monitor for each one to post before inputting the next one.
040	TIN or name on an account which is on the valid segment of MF. It is not systemically compared against the DM-1 data file. For additional information see IRM 3.13.5.127, Valid Segment Entity Bypass (TC 040). Input the transaction only once.
041	TIN or name on an account which is on the invalid segment. It is not systemically compared against the DM-1 data file. For additional information see IRM 3.13.5.128, Invalid Segment Bypass (TC 041). Input the transaction only once.

Note: Merge transactions may be input, but cannot post and accounts cannot resequence between **cycle 48 and cycle 4**.

Note: DM-1 explanation can be found in IRM 3.13.5.14, Data Master One (DM-1) File.

Caution: Resequencing an account to a valid TIN or to an IRSN, even if the attempt fails, can release an overpayment not held with a TC 570 or TC 576 on any active module under the TIN being moved. An I- freeze only restricts credit interest. It does not hold the credit.

Reminder: A TC 570 cannot post to an invalid account where the DLN 00200-000-00006-0 has posted. Other methods must be used to hold the credit. Open a control with the activity "HOLDREFUND" so that Notice Review will stop the refund.

- (3) CC ENMOD must be active to input the above entity updates. If CC ENMOD is not available use CC MFREQ. See the *IDRS Command Code MFREQ/ RECON Job Aid*.
- (4) For additional information see IRM 3.13.5.25, Transaction Codes Used to Merge Accounts, and IRM 3.12.179.18.10, IMF Automated Establishment of Taxpayers.
- (5) TC 040 and TC 041 corrections do not go through the DM-1 validation process. Therefore, it is important to use TC 040 and TC 041 **ONLY** when the taxpayer provides proof they have updated their identity with SSA **AND** it is necessary to bypass the DM-1 validation. The need to input TC 040 and TC 041 should be rare.

Caution: When TC 960's for MFT 55 are present on CC IMFOL with definer Q, **do not** use TC 040 as it does not bypass the resequence delays.

21.6.2.4.1.1 (10-03-2022)

Resequencing Methods

- (1) Resequencing on the Individual Master File (IMF) is often involved with the validity of a TIN.

- a. Each person may have only one TIN.
- b. Once a number is assigned, it cannot be assigned to someone else. An SSN is never "recycled" or reused.

Note: If a taxpayer has more than one SSN advise them to contact SSA if they have not already done so, to determine which SSN they should be using to file their tax returns.

- c. A transposition error in a TIN or name change, without notification to SSA, may cause a TIN mismatch with IRS records. This is referred to as an "invalid" condition.
- d. The computer cross references all TINs to the SSA data and identifies invalid conditions.

- (2) Resequencing accounts is accomplished by the following methods:

- Automatic resequencing
- Inputting a name control and name line change
- Updating the new SSN field

Reminder: Research CC IMFOL with definer “Q” for resequencing transactions to prevent duplicate input and/or unpostables. See *Document 6209 Section 8b-9*, Master File Codes (Unpostable and Resequence), for resequence transactions.

Caution: If TC 011, TC 013, TC 040 or TC 041 or any combination are pending on CC ENMOD, preceded by EP, PN or RS, do not input another merge transaction.

Caution: On the “from” TIN CC IMFOL with definer “Q”, if there are any TC 960’s for MFT 55, input the merge transaction **if one is not** already present, **and** elevate the account to the AM HQ analyst through your local P&A following normal procedures. Allow 2 weeks for a response from AM HQ analyst containing further guidance before sending any follow-up. Include a current pdf of CC IMFOL with definer “Q” for each TIN when elevating.

21.6.2.4.1.2
(07-07-2023)

Resequencing Action Required

- (1) These procedures are followed when resequencing the invalid segment to the valid, the valid segment to the invalid, or from one TIN to another.

Reminder: If the module has already been resequenced, the message “MEMO MODULE” displays on CC TXMOD.

- (2) Research for no merge conditions. See IRM 21.6.2.3.1, NMRG Conditions.

Reminder: If monitoring is required, toll-free assistors and TAC employees must submit Form 4442/e-4442 referral to the Campus AM paper function within their Directorate. Do not input any merge transactions or take additional steps when a referral is required. Use the most current account module to generate the 4442/e4442, and “Merge Request” as the referral type. Provide the taxpayer with a 30-day timeframe. See IRM 21.3.5.4.1, When to Prepare a Referral, for additional information.

- (3) Research CC IMFOL for the valid and invalid accounts for both TINs (the “to” and “from” TINs) prior to resequencing an account. The resequencing action moves all tax periods present in the account. **Specific tax periods cannot be moved independently.**

Reminder: Research CC IMFOL with definer “Q” for resequencing transactions to prevent duplicate input and/or unpostables. See *Document 6209 Section 8B*, Master File Codes (Unpostable and Resequence), for resequence transactions.

Caution: If TC 011, TC 013, TC 040 or TC 041 or any combination are pending on CC ENMOD, preceded by EP, PN or RS, **do not** input another merge transaction.

Caution: On the **from** TIN CC IMFOL with definer **Q**, if there are any TC 960’s for MFT 55, input the merge transaction **if one is not** already present, **and** elevate the account to the AM HQ analyst through your local P&A following normal procedures. Allow 2 weeks for a response from AM HQ analyst containing further guidance before sending any follow-up. Include a current pdf of CC IMFOL with definer “Q” for each TIN when elevating.

Only merge the account when ALL modules under the TIN(s) belong to the same taxpayer.

- (4) On the “from” TIN, reinstate all **recoverable** lower level modules dropped to retention in 1994 and later using CC IMFOL with definer “B”. See IRM 2.3.51.4, Restoring RRR Tax Modules to Master File.

Exception: If reinstatement of modules results in 25 or more active modules on either the “to” or “from” account, do not reactivate **any** modules. Instead, refer the case to NMRG. See IRM 21.6.2.3.4, Reassignment of NMRG Cases Due to Site Specialization.

Note: Any unrestored Retention Register Requests (RRR) are cleared as part of the end-of-year processing. A new RRR is required and CC IMFOLB may be input as of cycle 4.

- (5) Vestigial modules, dropped to retention prior to 1994 and **unrecoverable** modules, should only be reinstated if there is a module for the same year on both the “to” and “from” accounts. This is a NMRG condition and must be reassigned to NMRG. See IRM 21.6.2.3.4, Reassignment of NMRG Cases due to Site Specialization.

- (6) Do not input the resequencing transaction until the reinstatements are complete.

Reminder: Modules go into retention at the end of each calendar year. Verify no other modules have moved to retention **prior to** input of any resequencing transaction.

- (7) If the return posted to the invalid segment of the same TIN because of a name control mismatch, follow the appropriate procedures in IRM 3.13.5.120, Correcting a Taxpayer’s Name.

Exception: If monitoring is required toll-free and TAC employees submit a referral to the AM paper function within their directorate.

- (8) If the return posted to the invalid segment of a different TIN, see IRM 3.13.5.118, Taxpayer Identification Number (TIN) Changes (generates a TC 011).
- (9) When resequencing an ITIN to another ITIN, see IRM 3.21.263.8.5, Merges Involving ITIN, to determine which number should be the “from” account and which should be the *to* account. Revoke the ITIN for the “from” account per the instructions in IRM 21.6.2.4.1.3, ITIN to SSN Name Controls Match, (5) through (8), after all transactions have posted.

21.6.2.4.1.3
(10-03-2022)
**ITIN to SSN Name
Controls Match**

- (1) Before following these procedures research for no merge conditions. See IRM 21.6.2.3.1, NMRG Conditions.
- (2) If the name on the ITIN and SSN are valid and match, research the status of the ITIN on CC INOLES in the upper right part of the screen.
 1. If the ITIN is active (A) or inactive (I), on CC INCHG, input only the new SSN.

2. If the ITIN has been revoked, no indicator is present, input the new SSN with TC 040.

Note: If the ITIN is active (A) or inactive (I) it requires revocation after the merge to the SSN is complete.

- (3) Whether the ITIN belongs to the primary, secondary or dependent, if there are tax years on CC IMFOLI or there is entity data on CC IMFOLE, the ITIN must be resequenced to the new SSN. If any modules are in retention, see IRM 21.6.2.4.1.2, Resequencing Action Required. When completing a TIN change of a secondary taxpayer's TIN who files Married Filing Joint Return (FS 2), a two-step correction process may be required. See IRM 3.13.5.124, Add, Delete or Change Spouses' TIN (generates a TC 017), for more information.

Reminder: See IRM 21.6.1.7.2, Command Code DDBCK, for when CC DDBCK must be updated.

- (4) If working a CII case and the ITIN being merged is for the primary, after the ITIN has merged to the SSN, update the ITIN on the CII case to the new SSN. IDRS displays two controls on the new SSN that appear for this CII case. The one with the same control number as the open CII case is the valid control. The other one is from when the account merged and must be manually closed.

Reminder: Update the control base to "MISC" prior to manually closing on IDRS.

- (5) If working an e-4444 referral and the ITIN being merged is for the primary, after the ITIN has merged to the SSN, a new control base will generate on the SSN and must be manually closed prior to closing the referral.

Reminder: Update the control base to "MISC" prior to manually closing on IDRS.

- (6) After the merge to the SSN is complete, complete a Form 4442/e-4442 from the primary account for each ITIN associated with the case and being revoked; primary, secondary and dependents. Route Form(s) 4442/e-4442 to the Submission Processing Center (SPC) ITIN Unit to request the revocation of the ITIN(s). See IRM 3.21.263.8.6, Form 4442, Inquiry Referral, for information required on the Form 4442/e-4442. Include a copy of CC INOLEX of the ITIN showing the merge to the SSN.
- (7) To monitor for the revocation, establish a new control on IDRS under the primary account. Use activity code "ITRVK/XXX" (XXX = Julian purge date), status code M, category code MISC and the current date for the received date.
- (8) After all required actions have been taken on the SSN the CII case or a Form 4442/e-4442 referral can be closed.
- (9) Once all related ITINs have been revoked and posted to RTS (the Status on RTS displays "rejected" and/or Reason Code "R15") close the "MISC" base.

Note: Allow up to 6 weeks for the revocation to post. If it does not post, resubmit the Form 4442/e-4442. Ensure the Form 4442/e-4442 is complete, accurate and any required attachments are included before resubmitting the Form 4442/e-4442. See IRM 3.21.263.8.6, Form 4442, Inquiry Referral. If after another 2 weeks the ITIN is still not revoked, elevate the issue to your local

P&A. Include a pdf of the referral and the dates the referrals were sent when elevating. P&A should contact the program analyst assigned to ITIN Operations for assistance.

Note: If the ITIN Unit responds indicating the ITIN cannot be revoked due to a systemic issue with RTS, add a note to the CII case or AMS and close the monitor control on IDRS.

21.6.2.4.1.4
(12-08-2020)
**ITIN to SSN Name
Control Mismatch**

- (1) Research for no merge conditions. See IRM 21.6.2.3.1, NMRG Conditions.
- (2) If the name on the ITIN and the name on the SSN are both valid, update the name on the ITIN.
 1. On CC INCHG, include the new name control, new name line, year name line and filing status.
 2. Monitor for the ITIN to move to the invalid segment.
 3. Update the invalid segment of the ITIN with the new SSN.
- (3) For additional information see IRM 3.13.5.120, Correcting a Taxpayer's Name.
- (4) After the merge is complete, follow paragraphs 4 through 8 in IRM 21.6.2.4.1.3, ITIN to SSN Name Controls Match.
- (5) Whether the ITIN belongs to the primary, secondary or dependent, if there are tax years on CC IMFOLI or there is entity data on CC IMFOLE, the ITIN must be resequenced to the new SSN. If any modules are in retention, see IRM 21.6.2.4.1.2, Resequencing Action Required.

21.6.2.4.2
(07-13-2023)
Mixed Entity Procedures

- (1) A mixed entity case is created when two taxpayers file a return with the same TIN, also known as the common number (CN). Normally, this condition is identified while working Duplicate or Amended Returns. See IRM 21.6.7.4.4.1, TRNS36 - Control, for additional information. For telephone inquiries see IRM 21.6.2.3.3, Telephone Inquiries Regarding Mixed Entity (MXEN) and Scrambled SSN (SCRM) Cases.
- (2) For purposes of identifying the correct TIN-related issue, when more than one taxpayer is involved, refer to the following definitions:
 - Mixed Entity (MXEN) - the unintentional misuse of a taxpayer's TIN due to inadvertent taxpayer error, tax return preparer error or IRS processing error.

Note: A separate TIN can be identified for the taxpayer who has filed under the CN in error.
 - Scrambled SSN (SCRM/SSA2) - multiple individuals using the same SSN, and the true owner cannot be determined. The Social Security Administration (SSA) has issued the same SSN to more than one individual.
 - Identity Theft (IDT) - the intentional misuse of a taxpayer's personal information/TIN to commit, or attempt to commit, tax related fraud.
- (3) Make every effort to locate the correct TIN for each taxpayer. If a valid different TIN cannot be located for all taxpayers using the CN, and the NUMIDENT

does not indicate the SSN was assigned to more than one taxpayer, the case should be processed as IDT. See IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview.

- (4) If this is a TIN-Related Problem Secondary case, input a TC 592 to reverse the TC 594 CC 084 on the incorrect secondary TIN. Input TC 594 CC 084 on the correct secondary TIN, to cross-reference the primary TIN.

Caution: A TC 592 reverses **all** TC 59X posted to an account. If both a TC 592 and TC 594 CC 084 are required on the same TIN to remove an incorrect TC 594 CC 084, you must wait one week to input the valid TC 594 CC 084. This is necessary as CC FRM49 does not accept posting delay codes and prevents erroneous generation of TDI notices.

21.6.2.4.2.1
(07-13-2023)

Resolving Mixed Entity Cases

- (1) Analyze the case and identify the correct and incorrect taxpayer for the common number (CN) as follows:
 - a. Taxpayer "A" correctly used the TIN and remains on the CN.
 - b. Taxpayer "B" incorrectly used the TIN. Taxpayer "B"s return is input to their valid TIN.

Caution: If Taxpayer "B"s return must be reprocessed AND Taxpayer "B"s return shows a primary and a secondary taxpayer, research the secondary taxpayer's account to determine if a return has already been filed by the secondary taxpayer for the tax year in question. If a return has been filed by the secondary taxpayer, resolve the duplicate filing issue before reprocessing Taxpayer "B"s return. Not resolving the duplicate filing issue results in the generation of a CP 36F case. See IRM 21.6.7.4.5, Multiple Uses of Taxpayer Identification Numbers - TRNS36F (DUPTIN Filing Condition).

- (2) If either account contains an offset (TC 896 or TC 898) to a state or federal agency, take no action before referring to IRM 21.4.6.4.2.4, Child Support TOP Offsets, and IRM 21.4.6.5.17, Mixed Entity Cases with TOP Offsets.
- (3) When impacted tax years include 2018-2021, refer to IRM 21.6.2.4.7, Economic Impact Payment (EIP) and Multiple Taxpayers Using the Same TIN, before taking any action.
- (4) When Advance Child Tax Credit payments, identified by a TC 290 .00 with Credit Reference Number (CRN) 272 are present on tax year 2021, refer to IRM 21.6.2.4.8, Advance Child Tax Credit (AdvCTC), before taking any action.
- (5) Consider possible changes to the Return Processable Date (RPD). See IRM 21.5.6.4.17, I- Freeze.

21.6.2.4.2.2
(11-29-2019)

Valid TIN Located - Taxpayer "A" Posted First

- (1) The following procedures are required when a valid different TIN is found for Taxpayer "B" and Taxpayer "A" posted first:

- a. Input TC 290 blocking series (BS) 00 and use Taxpayer "A"s return as the source document. Notate in remarks "Mixed Entity"

Note: If Taxpayer "A"s return is not present, input TC 290, BS 05, and "No Source Document (NSD)" to release the -A freeze.

- b. Input TC 971 with action code (AC) 002. Enter Taxpayer "B"s TIN as a cross-reference. Refer to IRM 21.5.1.4.8, Transaction Code 971, for additional guidance.
- c. Verify the entity on Taxpayer "A"s account is correct. Update if appropriate.
- d. If Taxpayer "B"s account is not yet established, input TC 000. Refer to IRM 3.13.5.117, Establishing a New Account (TC 000), for additional guidance.
- e. A name line for the year being reprocessed or an earlier name line must be established to prevent unpostable code (UPC) 188 reason code 0. See IRM 21.5.2.4.23.8, IDRS Account Actions.
- f. Transfer Taxpayer "B"s payments to his/her account.
- g. Take the appropriate steps to post Taxpayer "B"s tax information to the correct TIN. Refer to IRM 21.5.2.4.23, Reprocessing Returns/Documents, for additional required actions.

Note: If a refund was issued from the CN to Taxpayer "B", the refund transaction must be moved to Taxpayer "B"s TIN. See IRM 21.5.2.4.23.10, Moving Refunds. Maintain a monitored control base on IDRS on both accounts and monitor until all resulting transactions post correctly.

- h. If the taxpayer or the tax return preparer used an incorrect TIN, send a Letter 257C, SSN Invalid; Contact SSA (Refund Delay, advising the taxpayer of the correct TIN to use. If Submission Processing (SP) processed the return using a different TIN, send a Letter 257C but do not mention the TIN SP edited on the return during processing.

21.6.2.4.2.3
(07-13-2023)

**Valid TIN Located -
Taxpayer "B" Posted
First**

- (1) The following procedures are used when a valid different TIN is found for Taxpayer "B" and Taxpayer "B" posted first:
 - a. Adjust the CN account to reflect Taxpayer "A"s return data using BS 00. If working on CII, the adjustment is still input using BS 00 since Taxpayer "A"s return is considered the original return. It should be input as a NSD.
 - b. If Taxpayer "A"s return was received after the return due date, refer to IRM 20.2.4.5, Unprocessable Returns, and IRM 20.2.4.5.1, Updating the RPD on Unprocessable Returns. For the purpose of updating the RPD, this IRM section is used for official guidance.
 - c. If Taxpayer "A" has a balance due and failure to pay penalty is required, refer to IRM 20.1.2.2.6.3, Wrong Return Posted First, for additional guidance.
 - d. Use priority code (PC) 1 if the return requires DIF scoring. See IRM 21.5.2.4.23.6, Discriminant Index Function (DIF) SCORE or CLASSIFICATION "Send Return(s) to Examination for Review", for procedures.
 - e. Use the appropriate hold code (HC) to prevent issuing erroneous notices and/or an erroneous refund to Taxpayer "A". Use (HC 4 when a manual refund is required.
 - f. If Taxpayer "B" requested a direct deposit and the refund did not generate due to the TC 976, allow the TC 971 AC 001 to post before inputting the adjustment. This prevents the refund from being direct deposited into Taxpayer "B"s account.
 - g. See (2) below for ACA consideration if adjusting the 2014 tax year or later.
 - h. Combat Zone (CZ) accounts, identified by a -C freeze, indicate a taxpayer who is, or was serving in a designated combat zone area. The

-C freeze stays on the account even after the taxpayer is no longer in the CZ. When working an account that contains a -C freeze, additional research is required to determine the taxpayer's CZ status.

1. Research CC IMFOLE for the Combat indicator on Line 11, to determine the correct action to take.
2. If Combat indicator is "1," then the taxpayer is still serving in a combat zone. Any compliance activity such as assessing or collection of tax is prohibited. If the taxpayer has other issues or requests information, you may work these other issues and contact the taxpayer, if needed.
3. If Combat indicator is "2," then the taxpayer is no longer a combat zone participant. Follow normal procedures to work the case.
 - i. If the First Time Home Buyer Credit (FTHBC) is involved and requires adjustment, see IRM 21.6.4.4.17.4, Manually Adjusting the Recapture Amount.
 - j. If the account contains an offset (TC 896 or TC 898) to a state or federal agency and requires adjustment, see IRM 21.4.6.5.17, Mixed Entity Cases with TOP Offsets.
 - k. Transfer Taxpayer "B"s payments to their correct account.
 - l. Input TC 971 with AC 001. Enter Taxpayer "B"s TIN as cross-reference. Refer to IRM 21.5.1.4.8, Transaction Code 971, for additional guidance.
 - m. Adjust the Assessment Statute Expiration Date (ASED), if necessary. Notate on CII "DUP (DLN) (last 6 digits of the DLN xxxxx-x) becomes the original".

Reminder: Refer to IRM 25.6.1.6.14, Criteria for Establishing a Statute of Limitations Period, for more information prior to any adjustment.

- n. Correct the entity module to reflect Taxpayer "A"s current address.
 - o. Input TC 971 with AC 017 on Taxpayer "B"s account. Refer to IRM 21.5.1.4.8, Transaction Code 971, for additional guidance. Enter Taxpayer "A"s TIN as a cross-reference. If Taxpayer "B"s account is not yet established, input TC 000, monitor for it to post then input the TC 971 AC 017. Refer to IRM 3.13.5.117, Establishing a New Account (TC 000), for additional guidance.
 - p. Take the appropriate steps to post Taxpayer "B"s tax information to the correct TIN. See (3) below.
 - q. If a refund was issued on the CN to Taxpayer "B", it must be moved to Taxpayer "B"s valid TIN. See IRM 21.5.2.4.23.10, Moving Refunds, for moving refund procedures. Maintain a monitored control base on IDRS on both accounts and monitor until all resulting transactions post correctly.
 - r. If the taxpayer or the tax return preparer used an incorrect TIN, send a Letter 257C, SSN Invalid; Contact SSA (Refund Delay), advising taxpayer "B" of the correct TIN to use. If SP processed the return using a different TIN, then send a Letter 257C but do not mention the TIN SP edited on the return during processing.
 - s. If Taxpayer "A" indicates **yes** to the Presidential Election Campaign Fund (PECF) and Taxpayer "B" did not, prepare a dummy Form 1040-X, Amended U.S. Individual Income Tax Return. Refer to procedures in IRM 21.6.7.4.12, Presidential Election Campaign Fund (PECF).
- (2) For TY 2014 returns and later, correct Taxpayer "A"s account to reflect provisions of the Affordable Care Act (ACA).

- a. Compute the Premium Tax Credit (PTC) and all related data elements. See IRM 21.6.3.4.2.12.4, Tools for Accessing ACA-Taxpayer Data, and IRM 21.6.3.4.2.12.7, Adjusting the Account.
 - b. Determine the taxpayer's liability for the Shared Responsibility Payment (SRP). See IRM 21.6.4.4.20.3, Shared Responsibility Payment Overview.
- (3) The following should be taken into consideration when processing Taxpayer "B"s tax information to the correct TIN:

If	Then
(1) The TC 976/TC 977 return bypassed Discriminant Information Function (DIF) scoring	After adjusting the account to reflect the TC 977/TC 976 return information, forward the return to Examination for DIF scoring if it meets the criteria in IRM 21.5.2.4.23.6, Discriminant Index Function (DIF) SCORE or CLASSIFICATION "Send Return(s) to Examination for Review".
(2) There is no TC 150 on Taxpayer "B"s account for the tax period involved	Reprocess Taxpayer "B"s return. See IRM 21.5.2.4.23, Reprocessing Returns/Documents.
(3) There is a TC 150 on Taxpayer "B"s account for the tax period involved	Adjust the account, if necessary. Follow IRM 21.6.7.4.4, Duplicate or Amended Returns - TRNS36.

- (4) If Taxpayer "A" is due a refund, the refund should be systemically released unless an exception applies. See IRM 21.4.4.3, Why would a Manual Refund Be Needed. When it is necessary to issue a manual refund, HC 4 must be used on the adjustment. The manual refund should be issued before the return has been DIF Scored. Input a priority code (PC) 1 on the case. Refer to IRM 21.4.4.5, Preparation of Manual Refund Forms, for additional guidance on issuing a manual refund.

Exception: If Taxpayer "A" (or the spouse of Taxpayer "A") filed a Form 8379, Injured Spouse Allocation, and your site does not work injured spouse cases, do not attempt to issue a refund. Instead follow the instructions in (5) below.

- (5) If Taxpayer "A" (or the spouse of Taxpayer "A") filed an injured spouse claim, correct the account to reflect Taxpayer "A"s information and then refer the Debtor Master File Case (DMFC) to the specialty group:
- a. Follow all instructions in (1) (2) and (3) above except use HC 4 on the adjustment and/or use TC 570 on credit transfers to hold the overpayment.
 - b. After inputting all account actions, close the CII case.
 - c. Open a new CII case with category code "DMFC". Assign the case to the appropriate IDRS number located on the *Accounts Management Site Specialization Temporary Holding Numbers* listing located on SERP. For the required fields, input the doc type as "Injured Spouse Claim", use program and function code "ADJ-710-97140," "Priority 2" and reason "Form 8379 attached".

Reminder: If your site works Injured Spouse case work, do not reassign the case. The case should be retained and worked within your site.

- d. Link the new CIS case to the closed CII case.

21.6.2.4.2.4
(11-29-2019)
**Valid Different TIN Not
Located for Taxpayer
“B”**

- (1) If, after complete research and corresponding with the taxpayer, a different valid TIN is not located for Taxpayer “B”, see IRM 25.23.4.2, Identity Theft (IDT) Paper Process Overview, for procedures.

21.6.2.4.2.5
(10-01-2019)
**Invalid SSN - Mixed
Entity**

- (1) When a mixed entity situation occurs on an invalid SSN, take the following actions:

If	Then
(1) A different valid TIN is located for each taxpayer	<ol style="list-style-type: none"> 1. Consider the TC 150 as Taxpayer "A" and TC 976, or TC 977 as Taxpayer "B". 2. Merge the invalid TIN to Taxpayer "A"s valid TIN, per guidance in IRM 21.6.2.4.1, Resequencing Accounts. 3. Follow procedures in IRM 21.6.2.4.2.2, Valid TIN Located - Taxpayer "A" Posted First. 4. Send both taxpayers a Letter 257C.
(2) A different valid TIN is located for only Taxpayer "A" (the first posted return)	<ol style="list-style-type: none"> 1. Obtain an IRSN for Taxpayer "B". 2. Merge the invalid TIN to Taxpayer "A"s valid TIN, per guidance in IRM 21.6.2.4.1, Resequencing Accounts. 3. Follow procedures in IRM 21.6.2.4.2.2, Valid TIN Located - Taxpayer "A" Posted First. Note: Whenever reprocessing a return to taxpayer B's IRSN, edit with Computer Condition Code (CCC) 3 to hold the refund, (unless moving a previously issued refund). See IRM 21.5.2.4.23.10, Moving Refunds. 4. Send Letter 257C to Taxpayer "A". Send Letter 4675C, Identity Theft - Temporary Number Assignment, advising Taxpayer "B" to contact SSA and use the IRSN for federal tax purposes until SSA determines the correct SSN. SSA will advise the taxpayer to file Form W-7, Application for IRS Individual Taxpayer Identification Number, to obtain an ITIN if the taxpayer cannot obtain a SSN.
(3) A different valid TIN is located for only Taxpayer B (the second posted return)	<ol style="list-style-type: none"> 1. Obtain an IRSN for Taxpayer A. 2. Merge the invalid TIN to Taxpayer A's IRSN, per guidance in IRM 21.6.2.4.1, Resequencing Accounts. 3. Follow procedures in IRM 21.6.2.4.2.2, Valid TIN Located - Taxpayer "A" Posted First. Exception: Send a Letter 257C, to Taxpayer B. Send a Letter 4675C, advising Taxpayer A to contact SSA and use the IRSN for federal tax purposes until SSA determines the correct SSN. SSA will advise the taxpayer to file Form W-7 to obtain an ITIN if they cannot obtain an SSN. Caution: When corresponding with the non-owner of the CN, send the letter from the non-owner's IRSN. Do not include the CN in your letter to the non-owner. Exception: Do not correspond with the Taxpayer A if you are unable to locate a good address. (In this example, "Taxpayer A" is the non-owner.

If	Then
(4) A different valid TIN is not located for either taxpayer	<ol style="list-style-type: none"> 1. Obtain IRSNs for both taxpayers posted to the invalid segment of the CN. 2. Consider the TC 150 as Taxpayer A and the TC 976 or, TC 977 as Taxpayer B. 3. Merge the invalid TIN to Taxpayer A's IRSN, per guidance in IRM 21.6.2.4.1, Resequencing Accounts. 4. Follow procedures in IRM 21.6.2.4.2.2, Valid TIN Located - Taxpayer "A" Posted First. <p>Exception: Do not send a Letter 257C. Send both taxpayers a Letter 4675C. Advise both taxpayers to contact SSA and use the IRSN for federal tax purposes until SSA determines the correct SSN. SSA will advise the taxpayer(s) to file Form W-7 to obtain an ITIN if they cannot obtain a SSN.</p> <p>Caution: Send the letters to each taxpayer from his/her IRSN. Do not include the CN in your letters.</p> <p>Exception: Do not correspond with the taxpayer if you are unable to locate a good address. Change the address to the Service Center address.</p>

Caution: Do not release the -A freeze or invalid TIN freeze when moving taxpayer data to an IRSN.

21.6.2.4.2.6
(10-01-2019)

**Mixed Entity - TC 576
Taxpayer "A" Posted
First**

- (1) Use the following procedures when a TC 576 is present and Taxpayer "A" posted first.

If	And	Then
(1) A valid SSN is located	Taxpayer "A" posted first, creating the unallowable (UA) hold	<ol style="list-style-type: none"> 1. Input TC 971 with AC 002. Use Taxpayer "B"s SSN as the cross-reference SSN. 2. Input TC 971 with AC 017 on Taxpayer "B"s account. Enter Taxpayer "A"s TIN as a cross-reference. 3. Update Taxpayer "A"s entity if the original information has changed.
(2) A subsequent adjustment action is necessary to transfer Taxpayer "B"s payment to his account		<ol style="list-style-type: none"> 1. Route to Examination. 2. Request input of a partial TC 300 with HC 4 to release the "-Q" freeze. 3. Transfer Taxpayer "B"s payments to his/her account upon Examination confirmation. Input TC 570 to prevent overpayment from refunding. 4. Route Taxpayer "A"s return to Examination for resolution of the UA condition. 5. Annotate closing action. Examination is responsible for the release of the -A freeze.
(3) There is no TC 150 on Taxpayer "B"s account for the module involved		<p>Reprocess Taxpayer "B"s return. See IRM 21.5.1.5.5, Processing/Reprocessing CII Tax Returns, and IRM 21.5.2.4.23, Reprocessing Returns/Documents.</p> <p>Note: MF processing freezes the refund and establishes Audit Information Management System (AIMS) if an UA condition exists.</p>
(4) Taxpayer "B"s account contains a TC 150 for the tax period involved		Adjust the account, if necessary. Follow IRM 21.6.7.4.4, Duplicate or Amended Returns - TRNS36.
(5) The taxpayer or tax return preparer used an incorrect SSN		<p>Send a Letter 257C to inform the taxpayer.</p> <p>Note: If SP processed the return using a different TIN, then send a Letter 257C but do not mention the TIN SP edited on the return during processing.</p>

21.6.2.4.2.7
(10-01-2019)
**Mixed Entity - TC 576
Taxpayer "B" Posted
First**

- (1) When a valid SSN is located, Taxpayer "B"s return posted first and Taxpayer "A"s return contains no Unallowable Code (UA) condition, take the following action:

- a. Route to Examination.
- b. Request closure of AIMS on the CN.
- c. Annotate the closing action taken on the account. Include the SSN and period to which Taxpayer "B"s return was processed. Examination monitors the account for posting of the reprocessed return.

Note: MF processing freezes the refund and establishes AIMS if an UA condition is present.

- d. Suspend case, monitoring for the AIMS closure.

- e. Upon closure, follow procedures in IRM 21.6.2.4.2.3, Valid TIN Located - Taxpayer "B" Posted First.
 - (2) When a valid SSN is located, Taxpayer "B"s return posted first and there is an UA condition on Taxpayer "A"s return, take the following action:
 - a. Route to Examination.
 - b. Request input of a partial TC 300 .00 with HC 4 to release "-Q" freeze.
 - c. Suspend the case.
- Note:** AIMS remains open.
- d. Upon confirmation, follow procedures in IRM 21.6.2.4.2.3, Valid TIN Located - Taxpayer "B" Posted First.
 - e. Route Taxpayer "A"s return to Examination for resolution of the UA condition.
 - f. Annotate all pertinent information (e.g., John Maple [Taxpayer "A"] posted as TC 976 on SSN 000-00-0001. Return contains UA Earned Income Tax Credit (EITC). John Maple [Taxpayer "B"] reprocessed to correct SSN 000-00-0000).

21.6.2.4.2.8
(10-01-2019)
**Mixed Entity Invalid SSN
- TC 576**

- (1) When a mixed entity occurs on an invalid SSN, use procedures in IRM 21.6.2.4.2.5, Invalid SSN - Mixed Entity.

21.6.2.4.3
(10-02-2023)
**Scrambled SSN Case
Procedures**

- (1) All means of determining the owner of the common number (CN) should be exhausted, following IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview, before following Scrambled SSN Case Procedures.
- (2) Scrambled procedures are followed only for accounts determined as True Scrambled or Default True Scrambled. See paragraphs (3) and (4).
- (3) If NUMIDENT indicates the Common Number (CN) was given to two or more taxpayers, the account is a True Scrambled.
- (4) A Default True Scrambled SSN Case condition occurs when all of the following are met:
 - a. One or both taxpayer(s) reply to the Letter 239C, TIN-Related Problem Resolution, or Letter 5064C, ID Theft In-Process Letter, and state the SSN belongs to them.
 - b. The taxpayer(s) stating the SSN belongs to them has provided all possible information up through correct responses to the supplementary questions. See IRM 25.23.4.18.2.2, Supplementary Questions (Associated with Letter 5064C Common Number Questionnaire.)
 - c. A determination for CN ownership cannot be made.

Note: It should be an extremely rare situation in which we cannot make a CN ownership determination at this point. Review all available information carefully. A CN ownership determination must be made on the basis of any degree of advantage supported by research or information received. If any degree of advantage exists, make a determination of CN ownership.

- (5) If a taxpayer has tax modules under more than one TIN, every effort must be made to consolidate the accounts under one unique TIN, before using scramble procedures.

Note: Research must be conducted using all resources available: AMS, CII, IDRS, etc. and when required, IAT Tools must be used. See IRM 21.2.2.4.4.14, Integrated Automation Technologies.

- (6) If the case is a True/Default True Scrambled SSN case, establish a case file on CII. The CII case file should include:
- Case notes of all research and documentation
 - TIN-Related Problem Research Sheet showing actions taken
 - Numident, request must be dated within past 6 months
 - 239C or 5064C responses with questionnaire, or timeframe has expired and determination cannot be made
 - Copies of paper filed returns

- (7) Scrambled cases are controlled using category SCRM or SSA2.

- SCRM - used when the account is being scrambled. Ages at 150 days.

Note: Cases must not be prematurely or erroneously controlled using category SCRM. Mixed Entity and Scheme Development Center (SDC) cases must not be controlled using category SCRM.

- SSA2 - used only for True/Default True Scrambled cases. The case is awaiting SSA Form 3857 response. Ages at 730 days.

Note: The category code is not changed to "SSA2" until the Form 3857 has been sent to SSA.

Note: Current IRM procedures restrict the cases sent to SSA for resolution to True/Default True Scrambled SSN cases. Current procedures provide guidelines for resolution of all other types of cases without SSA involvement. It is understood, that there are residual cases, (i.e., cases other than True/Default True Scrambled cases that were categorized as "SSA2" prior to the current procedures).

- (8) The (CN) is scrambled to prevent returns from posting to the SSN.
- (9) Scrambled cases may be identified by Scrambled SSN Indicator (SCI) 01, 10, 12, 13, 20 or 23 located on ENMOD or IMFOLE of the (CN) Refer to Exhibit 21.6.2-1, Scrambled SSN Indicators.

Caution: Do **not** reverse any SCI or "unlock" an account unless you are a SCRM employee.

- (10) Expedite scrambled SSN case document requests from Files by using CC ESTABV. Notate "Scrambled SSN" in the request remarks.
- (11) Route scrambled cases requiring Statute action to the Statute function.
- (12) Consider erroneous refund procedures. See IRM 21.4.5, Erroneous Refunds.

- (13) If the account has a TC 898 offset to a state or federal agency, refer to IRM 21.4.6.5.18, Scrambled SSN Cases With TOP Offsets, before taking any action.
- (14) Consider IRM 21.6.2.4.7, Economic Impact Payment (EIP) and Multiple Taxpayers Using the Same TIN, when working scrambled SSN cases.
- (15) Consider IRM 21.6.2.4.8, Advance Child Tax Credit (AdvCTC), when working scrambled SSN cases.
- (16) Route cases with a Z freeze to the SDC. For cases with a P- freeze with category code PFRZ, refer to IRM 21.5.6.4.31.2, P- Freezes with Return Integrity and Verification Operations (RIVO) Involvement, for additional guidance. Take no action unless the Z freeze is released. If the Z and/or P-freeze is released, follow established scrambled SSN procedures.

Caution: Do not follow SDC instructions which deviate from established procedures. These procedures do not permit SDC determinations of the CN owner.

- (17) If ID Theft is indicated, see IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview.
- (18) Follow mixed entity procedures if:
 - The taxpayer indicates that he/she purchased, borrowed or stole the SSN. The caseworker may receive this information directly from the taxpayer or through another IRS employee or Treasury Inspector General for Tax Administration (TIGTA).
 - The common number is an ITIN or invalid SSN.

#

21.6.2.4.3.1
(07-13-2023)
**Beginning Scrambled
Procedures**

- (1) Analyze the case to identify the taxpayers involved:
 - Taxpayer 1 -Taxpayer who has used the CN for the most years or the taxpayer who has the most statute year returns posted to the CN.
 - Taxpayer 2 - Taxpayer who has not used the CN for the most years or has the fewest statute year returns posted to the CN.
- (2) Analyze the case to determine which condition exists:
 - Condition 1 - Taxpayer 1 posted first.
 - Condition 2 - Taxpayer 2 posted first.

Note: If both taxpayers are first time filers, then the taxpayer who posted as the TC 150 becomes Taxpayer 1. Follow procedures for Condition 1 IRM 21.6.2.4.3.4, Condition 1 Case Processing.

- (3) Use local procedures to obtain an IRSN for each taxpayer. IRSN 1 is issued for Taxpayer 1. IRSN 2 is issued for Taxpayer 2. When establishing IRSN 2, set the appropriate Scrambled SSN Indicator (SCI) as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators.

Note: If either taxpayer was issued an IRSN in a prior year, use the IRSN previously issued to that taxpayer.

- (4) Research to determine if there is a closed or existing scrambled SSN case for the same taxpayer.

If	Then
A previously scrambled case was closed with a response from SSA	Follow mixed entity procedures.
An existing scrambled case is waiting for SSA's reply	<ol style="list-style-type: none"> 1. Review prior case file. 2. Research for any new information that could aid in common number ownership determination. 3. If the case is a True/Default True Scrambled SSN case, send a follow-up request to SSA, if necessary.

- (5) If substantiation of identity theft is received from one taxpayer after the Letter 239C or Letter 5064C, 40-day suspense period (70-days for overseas taxpayers), has expired, follow procedures in IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview.
- (6) If substantiation of identity theft is received from both taxpayers, follow procedures in IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview.
- (7) If at any time a completed Letter 239C or Letter 5064C questionnaire is received after the 40-day suspense period has expired, 70-days for overseas taxpayers, follow the procedures in IRM 25.23.4.6, Research, Actions and Complete Case Analysis - Overview.

21.6.2.4.3.2
(07-13-2023)

(1) Follow the If/Then table below when scrambling a True/Default True Scrambled SSN Case:

**Scrambled Procedures
Specific to True/Default
True Scrambled SSN
Cases**

If	Then
One or both of the taxpayers responded with a completed questionnaire	<ul style="list-style-type: none"> • Input the appropriate SCI on the CN as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. • Prepare initial Form 3857, Request for SSN Clarification. • Forward initial Form 3857 and case file to the Scrambled SSN Coordinator. See IRM 21.6.2.4.3.6, Form 3857 Request for SSN Clarification. The Scrambled SSN Coordinator reviews and returns the case file within 3 business days. • Send both taxpayers a second Letter 239C. Advise the taxpayers that SSA has been contacted and to use the IRSN for federal tax purposes. Instruct the taxpayer to contact SSA. If you are requesting information from the taxpayer, suspend the case for 40-days, 70-days for overseas taxpayers. • Scramble the account.
Neither taxpayer responded with a completed questionnaire Note: This If/Then applies only to True Scrambled SSN cases. It does not apply to Default True Scrambled SSN cases.	<ul style="list-style-type: none"> • Input SCI 10 on the CN and IRSNs. • Send a second Letter 239C to each taxpayer. Advise the taxpayers to complete the questionnaire, submit documentation required in IRM 21.6.2.4.3.3, Determining if the Refund Should be Released, and use the IRSN for federal tax purposes. Instruct the taxpayer to contact SSA. Advise the taxpayers to respond within 30-days, 70-days for overseas taxpayers. • Scramble the account. • Attach Form 13708, Mixed Entity/Scrambled SSN Case History Sheet, to the primary CII case. • Attach the Research Sheet to the primary CII case. • If neither taxpayer responds to this 2nd Letter 239C, close the case after all scrambling procedures have been completed.

Note: If one taxpayer responds with substantiation of identity theft before the suspense period from the date the second Letter 239C request has expired, do not take action to immediately resolve. Allow the suspense period to expire before resolving case.

- (2) If the taxpayer is claiming a hardship, which may warrant the issuance of a manual refund, refer the case to The Taxpayer Advocate Service (TAS) for hardship determination per IRM 21.4.4.3, Why Would A Manual Refund Be Needed?
- (3) Overpayment(s) a year old or older must be transferred to Excess Collections when the account is scrambled. Allow an Accounts Maintenance Research (AMRH) transcript(s) to generate on account(s) with overpayment(s) less than a year old. See IRM 21.2.4.3.10.1, Excess Collection File (XSF) and unidentified Remittance File (URF) for AMRH.

21.6.2.4.3.4
(10-01-2021)
**Condition 1 Case
Processing**

- (1) These procedures are used when Condition 1 is present.
- (2) Correct the CN entity information to agree with Taxpayer 1's return.
- (3) Edit the SSN on Taxpayer 1's return to show IRSN 1.
- (4) Reprocess Taxpayer 2's return to IRSN 2. See IRM 21.5.2.4.23, Reprocessing Returns/Documents, for editing instructions. Edit with Computer Condition Code (CCC) 3 to hold the refund, if necessary. See IRM 21.6.2.4.3.3, Determining if Refund Should be Released.

Note: If statute or statute-imminent return, refer to IRM 21.6.2.4.6, Tax Year Account Move Conditions Applicable for MXEN, SCRM, SSA2 and NMRG Cases.

- (5) Transfer Taxpayer 2's payment(s) from the CN to IRSN 2.
- (6) Input TC 971, AC 002 on the CN to cross-reference to IRSN 2. Input TC 971, AC 017 on the IRSN to cross-reference the CN.
- (7) Input a TC 290 .00, BS 00 (or if Taxpayer 1 filed an electronic return, use BS 05), on the CN to release the -A freeze. Use HC 4 if the overpayment must be held. See IRM 21.6.2.4.3.3, Determining if the Refund Should be Released. Allow items requiring a valid primary TIN, i.e., EITC, primary exemption, and/or education credit, if Taxpayer 1 would otherwise qualify for the items.
- (8) Resolve all conditions that would prevent the CN from merging. See IRM 21.6.2.4.1.2, Resequencing Action Required.
- (9) Resequence CN to IRSN 1. Include appropriate scrambled SSN indicator as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators.
- (10) After Taxpayer 2's return posts to IRSN 2, input TC 510 and/or TC 571 to release the refund, if appropriate. See IRM 21.6.2.4.3.3, Determining if the Refund Should be Released.

Note: If Taxpayer 2 claimed items requiring a valid primary TIN, i.e., EITC, primary exemption, and/or education credit, a math error is issued during the reprocessing of the return disallowing these items because the primary TIN is invalid. Do not adjust IRSN 2 to allow items requiring a valid primary TIN unless NUMIDENT indicates a True Scrambled SSN case. Do **not** make the adjustment for a Default True Scrambled SSN case.

- (11) If taxpayer(s) did not submit a complete Letter 239C response, transfer overpayment(s) a year old or older to Excess Collections. See IRM 21.2.4.3.10.1,

Excess Collection File (XSF) for AMRH. Allow an AMRH transcript(s) to generate on account(s) with overpayment(s) less than a year old. Also refer to IRM 21.2.4-3, AMRH FREEZE TABLE IMF/BMF, for additional guidance and IRM 21.6.2.4.3.3, Determining if the Refund Should be Released, for documentation required for a complete response.

- (12) Establish a summary account on the CN to prevent returns from posting.
- Input TC 000 with the appropriate scrambled SSN indicator and Mail Filing Requirement (MFR) 08 after the CN is completely resequenced to the IRSN 1.
 - Include all items shown on Taxpayer 1's account. The year must be the current tax period.
 - Enter the two-digit campus code and both IRSNs on the second name line.

Note: Omit the hyphens in IRSNs to allow space to input three IRSNs, if necessary.

- (13) Use the table below to determine next account or case action(s).

If SSA acknowledgement	Then
received	<ol style="list-style-type: none"> Send each taxpayer a Letter 239C advising them that SSA has acknowledged receipt of our request for SSN verification. If additional information is received, follow procedures in IRM 21.6.2.4.3.8, Processing Additional Information, or IRM 21.6.2.4.3.9, Resolving Scrambled SSN Cases, as appropriate. <p>Note: Control base must remain open waiting for SSA's Form 3857 response. If one year expires, from the date Form 3857 was sent to SSA, follow procedures in IRM 21.6.2.4.3.9, Resolving Scrambled SSN Cases.</p>
not received within 90 days	Before preparing a second Form 3857 package to forward to SSA, make contact with the SSA Point of Contact (POC) to determine the status of the Form 3857 package(s). If you are unable to obtain a response from SSA POC within 14 days, report the issue to the Scrambled SSN HQ Analyst.

21.6.2.4.3.5
(10-01-2021)
Condition 2 Case Processing

- These procedures must be used when Condition 2 is present.
- Correct the CN entity information to agree with Taxpayer 1's return.
- Edit the SSN on Taxpayer 1's return to show IRSN 1.
- Reprocess Taxpayer 2's return to IRSN 2. See IRM 21.5.2.4.23, Reprocessing Returns/Documents, for editing instructions. Edit the return with the appropriate Computer Condition Code. See IRM 21.6.2.4.3.3, Determining if the Refund Should be Released.
 - Use CCC "3" to hold the refund, if necessary.
 - Use CCC "O" if a refund was previously issued to Taxpayer 2 on the CN.

Note: If statute or statute-imminent return, refer to IRM 21.6.2.4.6, Tax Year Account Move Conditions Applicable for MXEN, SCRM, SSA2 and NMRG Cases.

- (5) Transfer Taxpayer 2's payments from the CN to IRSN 2. For additional information see IRM 21.5.8, Credit Transfers.
- (6) If a refund was issued on the CN to Taxpayer 2, then the refund must be moved. See IRM 21.5.2.4.23.10, Moving Refunds, for instructions.

Note: The refund must never be "netted" out of withholding.

- (7) Input TC 971, AC 001, on the CN to cross-reference the TC 150 to IRSN 2. Input TC 971, AC 017 on the IRSN to cross-reference the CN.
- (8) Math verify Taxpayer 1's return. Adjust the CN to agree with Taxpayer 1's return using BS 00. Use procedures in IRM 21.6.2.4.2, Mixed Entity Procedures, to delete the incorrect taxpayer's information from the account. Use HC "4" to hold the refund, if applicable. See IRM 21.6.2.4.3.3, Determining if the Refund Should be Released. Notate in remarks "Scrambled SSN - DUP becomes original."

Caution: If Taxpayer 2 requested a direct deposit and the refund did not generate due to the TC 976, then TC 971 AC 001 must be input and posted before adjusting the CN to agree with Taxpayer 1's return. TC 971 AC 001 prevents the refund from being direct deposited into Taxpayer 2's account due to programming changes implemented. In this instance the TC 971 AC 850 is **not** required.

Note: If a statute or statute-imminent tax period, refer to IRM 21.6.2.4.6, Tax Year Account Move Conditions Applicable for MXEN, SCRM, SSA2 and NMRG Cases.

- (9) Forward Taxpayer 1's return to Examination for DIF scoring if it meets any of the criteria in IRM 21.5.2.4.23.6, Discriminant Index Function (DIF) SCORE or CLASSIFICATION "Send Return(s) to Examination for Review". Use local procedures.
- (10) Correct the Return Processable Date if necessary using the date of the TC 976. See IRM 21.5.6.4.17, I- Freeze.
- (11) Resolve all conditions that would prevent the account from merging. See IRM 21.6.2.4.1.2, Resequencing Action Required.
- (12) Resequence the CN to IRSN 1.
- (13) After Taxpayer 2's return posts to IRSN 2, input TC 510 and/or TC 571 to release the refund, if appropriate.

Note: If Taxpayer 2 claimed items requiring a valid primary TIN, a math error is issued during the reprocessing of the return disallowing these items because the primary TIN is invalid. Do not adjust IRSN 2 to allow items requiring a valid primary TIN unless NUMIDENT indicates a True (Non-Default True) Scrambled SSN case or a refund was issued on the CN to Taxpayer 2.

- (14) If taxpayer(s) did not submit a complete Letter 239C response, transfer overpayment(s) a year old or older to Excess Collections. See IRM 21.2.4.3.10.1, Excess Collection File (XSF) and Unidentified Remittance File (URF) for AMRH. Allow an AMRH transcript(s) to generate on account(s) with overpayment(s) less than a year old. See IRM 21.6.2.4.3.3, Determining if the Refund Should be Released, for documentation required for a complete response.
- (15) Establish a summary account on the CN to prevent any returns from posting.
- Input TC 000 with the appropriate scrambled SSN indicator and MFR 08 after the CN is completely resequenced to the IRSN 1.
 - Include all items shown on Taxpayer 1's account. The year must be the current tax period.
 - Enter the two-digit campus code and both IRSNs on the second name line.

Note: Omit the hyphens in IRSNs to allow space to input three IRSNs, if necessary.

Note: At this point in processing, all Letter 239C responses should be attached to the CII case, as should images of pertinent tax returns.

- (16) If a Letter 239C response is received after a case has been closed, reassign the case to the designated IDRS number and link the new information to the prior CII case. Send a courtesy e-mail to the designated employee to alert the employee of the new information. If Form 3857 is sent to SSA, change the control category to "SSA2" and reassign the case to designated IDRS number. Also ensure the completed Form 3857 is scanned to the CII case. Refer to the *AM Site Specialization Temporary Holding Numbers* for a complete list of designated IDRS numbers. The Scrambled SSN Coordinator monitors the case for an SSA acknowledgement.
- (17) Use the table below to determine next account or case action(s).

If SSA acknowledgement	Then
received	<ol style="list-style-type: none"> Send both taxpayers a Letter 239C advising them that SSA has acknowledged receipt of our request for SSN verification. If additional information is received, follow procedures in IRM 21.6.2.4.3.8, Processing Additional Information, or IRM 21.6.2.4.3.9, Resolving Scrambled SSN Cases, as appropriate. <p>Note: Control base must remain open waiting for SSA's Form 3857 response. If one year expires, from the date Form 3857 was sent to SSA, follow procedures in IRM 21.6.2.4.3.3, Determining If the Refund Should Be Released.</p>
not received within 90 days	Before preparing a second Form 3857 package to forward to SSA, make contact with the SSA POC to determine the status of the Form 3857 package(s). If you are unable to obtain a response from the SSA POC within 14 days, report the issue to the Scrambled SSN HQ Analyst.

21.6.2.4.3.6
(10-10-2019)
**Form 3857, Request for
SSN Clarification**

- (1) Contact SSA using Form 3857, Request for SSN Clarification, **only** for True/Default True Scrambled SSN cases. Include any pertinent information with Form 3857 to assist in resolution of the problem.

Caution: If the CN is an invalid SSN, do not prepare Form 3857. These cases are resolved following the procedures in IRM 21.6.2.4.2.5, Invalid SSN – Mixed Entity.

- (2) Complete Form 3857 with the following:

- Atlanta Service Center, IDTVA AM Atlanta: Stop I2100, Post Office Box 47421, Doraville, GA 30362
- Date sent to SSA
- CN

Caution: Do not include IRSNs on Form 3857.

- Tax period
- Check the appropriate box indicating why Form 3857 is being sent, i.e., original request, no acknowledgement, additional information follow-up, or no SSA response
- Complete name and address for each taxpayer
- Check the appropriate box indicating which income documents are attached
- Business name and address, if taxpayer was self-employed
- Year each taxpayer first used the CN
- Check the “Yes” box indicating if the taxpayer submitted a completed Letter 239C questionnaire

- (3) Attach legible photocopies of all Form W-2(s). Delete all money amounts except Social Security and Medicare.

- (4) Attach copies of the Letter 239C replies, including questionnaire, documentation, and correspondence.

- (5) Notate on Form 3857 any information received regarding recent address changes for the taxpayer(s).

- (6) SSA sends Form 3857 acknowledgement within 90 days. The acknowledgement includes the current status of Form 3857.

Caution: Do not confuse SSA acknowledgements and final responses. Final responses identify the common number owner or clearly state “case closed”.

- (7) If Form 3857 was sent to SSA, change control category to “SSA2”, reassign the case to designated IDRS number located on the *AM Site Specialization Temporary Holding Numbers* listing. The Scrambled SSN Coordinator monitors the case for an SSA acknowledgement. Also ensure the completed Form 3857 is scanned to the CII case.

Note: Cases categorized as “SSA2” in error are rejected back to the originating site with a note indicating why it was rejected.

- (8) If an SSA acknowledgement is not received within 90 days, the Scrambled SSN Coordinator contacts the SSA POC to determine the status of the Form 3857 package(s). If they are unable to obtain a response from SSA POC within 14 days, the issue is reported to the Headquarters Scrambled SSN Analyst.

21.6.2.4.3.7
(10-10-2019)
**Maintaining Scrambled
SSN Files**

- (1) Scrambled cases must remain open on IDRS utilizing control category **SSA2** waiting for SSA's Form 3857 response.
- (2) Each case file must include:
 - A completed history sheet
 - Copies of all returns and Form W-2 's involved
 - Copies of any taxpayer correspondence, including the Letter 239C replies
 - Copy of the Form 3857 sent to SSA
- (3) File taxpayer correspondence and other pertinent documentation with the related return for future reference.

21.6.2.4.3.8
(10-10-2019)
**Processing Additional
Information**

- (1) The procedures in this subsection indicating contact with SSA apply only to True/Default True Scrambled SSN cases.
- (2) Additional information received after a Form 3857 is sent to SSA must be submitted to SSA as a follow-up.
- (3) Notify SSA if either taxpayer files a return after the year in question or additional information is received from either taxpayer.
 - a. Check the "Additional Information Follow-up" box in Part I of Form 3857.
 - b. Complete the top portion of page 2 of Form 3857.
 - c. Attach a copy of new Form W-2(s) (delete all money amounts except Social Security and Medicare) and/or other new identifying information.
- (4) Scrambled cases closed without sending Form 3857 to SSA are identified by history item "no 239 reply", "no 5064C reply", or "SCI 10" or "SCI 20" on the CN summary account.
- (5) If a completed Letter 239C questionnaire is received from one of the taxpayers after the case is closed, create a new case and research for any new information that could aid in common number ownership determination.

21.6.2.4.3.9
(10-01-2019)
**Resolving Scrambled
SSN Cases**

- (1) When a Form 3857 response is received from SSA, or the taxpayer submits a response, take the appropriate action to close the case.
- Note:** When a response is received from SSA or the taxpayer, and the case is in the closed two-year file, pull the two year file and reopen the case with the new received date of the Form 3857 reply or the taxpayer's inquiry. Take appropriate action to close the case.

Note: Current IRM procedures restrict the cases sent to SSA for resolution to True/Default True Scrambled SSN cases. Current procedures provide guidelines for resolution of all other types of cases without SSA involvement. It is understood, that there are residual cases, i.e., cases other than True/Default True Scrambled cases that were categorized as "SSA2" prior to the current procedures. Consequently, responses from SSA or from the taxpayer that determine ownership of the CN or that provide a valid SSN for the taxpayer are used to resolve the case. The following procedures would, in those cases, be applicable. If, the responses received do not resolve the case, review the case using current procedures which authorize IRS determinations of CN ownership

- (2) Verbal SSA responses are unacceptable. If SSA calls with a Form 3857 response, request that they complete and return the Form 3857 response by fax or mail.
- (3) If SSA does not verify the CN owner, the scrambled condition cannot be resolved. The accounts must be processed under the IRSNs until action by the taxpayer or SSA provides a resolution.

Exception: If a determination of CN ownership can be made, resolve the case using current IRM procedures.

- (4) Consider the following:

Note: To prevent unnecessary AMRH transcripts, take action when resolving Scrambled SSN cases to transfer overpayment(s) a year old or older to Excess Collections. See IRM 21.2.4.3.10.1, Excess Collection File (XSF) for AMRH.

If	And	Then
(1) SSA indicates one taxpayer is the CN owner	The other taxpayer is "unknown"	<ol style="list-style-type: none"> 1. Resequence the IRSN belonging to the CN owner to the CN. Include the appropriate closing scrambled SSN indicator. Refer to Exhibit 21.6.2-1, Scrambled SSN Indicators. 2. Input a TC 012 in the same cycle with the appropriate SCI to the CN. 3. Input TC 510 and/or TC 571 as appropriate to release the CN owner's refunds. 4. Send a Letter 239C to the CN owner advising them to use the CN. 5. Adjust the CN owner's account to allow items previously disallowed that require a valid primary TIN. 6. Input TC 971 AC 506 with a posting delay of 4 cycles on the entity module of the CN. Use the SECONDARY-DT field to indicate the tax year in question. Use the TRANS-DT field to indicate the current (input) date. Input "WI ITVAA MULTFL" in the MISC field, if applicable. Exception: If the applicable procedures involved in processing the current case already require the input of TC 971 AC 501, then do not input TC 971 AC 506. 7. If the "unknown" taxpayer received a refund which included items requiring a valid primary TIN, initiate math error procedures to reverse the items. See IRM 21.5.4, General Math Error Procedures. Note: For TIN-Related Problem Secondary Cases, follow Erroneous Refund procedures if the "unknown" taxpayer is the secondary on the joint account. 8. Attach a copy of SSA's reply (Form 3857) to the most current year return on file for each of the taxpayers. 9. Send the "unknown" taxpayer a Letter 239C advising them that information from SSA indicates that the SSN shown on their return was not assigned to them. Caution: When corresponding with the non-owner of the CN, send the letter from the non-owner's IRSN. Do not include the CN in your letter to the non-owner.

If	And	Then
(2) One taxpayer supplies a different valid SSN		<ol style="list-style-type: none"> 1. Resequence the IRSN of the taxpayer who provided a different TIN to the correct TIN. 2. Input a TC 012 in the same cycle with the appropriate closing scrambled SSN indicator on the CN as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. 3. Resequence the other IRSN to the CN. Include the appropriate closing scrambled SSN indicator as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. 4. Input TC 510 and/or TC 571 as appropriate to release the refunds. 5. Send a Letter 239C to the CN owner. 6. Adjust both SSNs to allow items previously disallowed that require a valid primary TIN. 7. Attach taxpayer's correspondence to the most current year return on file. 8. If Form 3857 was sent to SSA, advise the Scrambled SSN Coordinator the case was closed without a SSA Form 3857 response.
(3) SSA indicates one taxpayer should use the CN	The other taxpayer is assigned a different SSN	<ol style="list-style-type: none"> 1. Follow steps 1 through 6 above in the first If/Then box. 2. Attach a copy of SSA's reply (Form 3857) to the most current year return on file for each of the taxpayers.

If	And	Then
(4) SSA or the taxpayer indicates there is only one taxpayer involved (same taxpayer)		<ol style="list-style-type: none"> 1. Combine the two returns using the IRSN account with the greatest number of statute year tax modules. Use BS 77/78, SC 6, and apply erroneous refund procedures if appropriate. 2. Input a TC 012 with the appropriate closing scrambled SSN indicator on the CN as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. 3. Resequence the newly adjusted IRSN to the CN. Include the appropriate closing scrambled SSN indicator as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. Use a posting delay for six cycles, if inputting the merge before the adjustment has posted. 4. Order any other open statute returns associated with this taxpayer that may be combined or reinput to the CN. Zero out the modules on the other IRSN from which returns are being reinput or combined. Note: If a statute or statute-imminent return, refer to IRM 21.6.2.4.6, Tax Year Account Move Conditions Applicable for MXEN, SCRM, SSA2 and NMRG Cases. 5. After all adjustments have posted to the other IRSN, input TC 020 to deactivate the other IRSN. 6. Send the taxpayer a Letter 673C, Duplicate Returns Filed; Adjustment or Refund Explained, advising them we combined the returns and in the future they should file a Form 1040X to make changes to their original return. 7. Change the address, if necessary. 8. Attach a copy of SSA's reply (Form 3857) or taxpayer's correspondence to the most current year return on file. 9. If Form 3857 was sent to SSA and the case was resolved without a SSA Form 3857 response, notify the Scrambled SSN Coordinator.

If	And	Then
(5) SSA indicates that the CN does not belong to any of the taxpayers involved	SSA supplies a different valid SSN for one or both taxpayers involved	<ol style="list-style-type: none"> 1. Input a TC 020 to the CN. Note: If any modules exist, move the modules before inputting TC 020 to delete the account. 2. Resequence the IRSN(s) (may be input in the same cycle) to the correct SSNs. Include the appropriate closing scrambled SSN indicator as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. 3. Input TC 510 and/or TC 571 as appropriate to release the taxpayer's refund(s) if a different valid SSN was supplied. 4. Send a Letter 239C to taxpayer(s) advising them of the correct SSN to use. If a different valid SSN was not supplied for one of the taxpayers, send a Letter 239C to the taxpayer advising them SSA indicated they were not the CN owner and to continue using the IRSN previously assigned. Caution: When corresponding with the non-owner of the CN, send the letter from the non-owner's IRSN. Do not include the CN in your letter to the non-owner. 5. If Earned Income Tax Credit (EITC), exemptions and/or credits were previously disallowed because the primary TIN was not valid, and we now have a valid TIN, adjust the account to allow the EITC, exemptions and/or credits. Caution: If a different valid SSN was not supplied for the taxpayer, and the taxpayer received a refund that included items requiring a valid primary TIN, initiate math error procedures to reverse the items. See IRM 21.5.4, General Math Error Procedures. 6. Attach a copy of SSA's reply (Form 3857) to the most current year return on file.

If	And	Then
(6) SSA response does not contain sufficient information to resolve the scrambled condition, i.e., both taxpayers are "unknown," or "unable to determine" is written in the remarks areas		<ol style="list-style-type: none"> 1. If unable to make an ownership determination, send a Letter 239C to each taxpayer advising them SSA was unable to verify the SSN. 2. Input the appropriate closing scrambled SSN indicator on CN and IRSNs as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators. 3. Associate a copy of SSA's Form 3857 response to the most current year return on file for each taxpayer. 4. Close case. <p>Note: This type of response should primarily pertain only to residual SSA2 cases, i.e., SSA2 cases other than True/Default True Scrambled SSN cases that were categorized as SSA2 prior to the current IRM. Before following the steps above, review the case anew using the current guidelines which authorize IRS determinations of CN ownership.</p>
(7) SSA response indicates that the common number is no longer valid for federal tax purposes	SSA supplies a different valid SSN for one or both of the taxpayers	<ol style="list-style-type: none"> 1. Input SCI "13" on the CN. 2. Resequence the IRSNs (may be input in the same cycle) to the correct SSNs, if supplied. Include SCI "9." 3. If a valid different SSN was not supplied for one of the taxpayers, input SCI "13" on the corresponding IRSN. 4. If a valid different SSN was supplied for the taxpayer(s), input TC 510 and/or TC 571 as appropriate to release refund(s). Adjust the account to allow the EITC, exemptions and/or credits previously disallowed because the primary TIN was not valid. 5. Send a Letter 239C to each taxpayer advising them of the correct SSN to use. If a valid different SSN was not supplied for one of the taxpayers, send a Letter 239C advising them information from SSA indicates that the SSN shown on their return was not assigned to them. 6. Attach a copy of SSA's Form 3857 response to the most current year return on file for each taxpayer.

- (5) If ownership of the CN is determined and the taxpayer submitted standard identity theft documentation, see IRM 25.23.2.3.6, When to Request Additional Information to Support an Allegation of Identity Theft, for acceptable documentation.

21.6.2.4.3.10
(07-13-2023)
**Scrambled SSN
Coordinator
Responsibilities**

- (6) If one-year passes, and no reply is received from SSA or the taxpayers, pull the scrambled SSN file and review the case. If necessary, send a second Form 3857 request to SSA. See IRM 21.6.2.4.3.6, Form 3857, Request for SSN Clarification, for required entries.

- (1) Refer to the *Scrambled SSN Coordinators*, for the Scrambled SSN Point of Contact (POC).

- (2) The coordinator ensures:

- Form 3857 is complete and legible
- Preliminary research is completed

Note: This can be verified by reviewing the history sheet. The scrambled SSN coordinator must not “rework” the case.

- The case file is complete
- A completed Letter 239C questionnaire for at least one taxpayer is attached to Form 3857

- (3) E-Fax any new Form 3857 package to SSA to Division of Earnings and

of Form 3857 packet to the Scrambled SSN Coordinator within 90 days. If no acknowledgment is received within 90 days, send the Form 3857 packet to

notify DEBS the required acknowledgment has not been received.

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Caution: Only the Scrambled SSN Coordinator has the authority to use these E-Fax numbers.

- (4) Only forward Form 3857 package to SSA when advised by AM HQ Analyst to the following address:

Social Security Administration
Division of Earnings Records Operation
6100 Wabash Avenue
Baltimore, MD 21215

- (5) Forward a list of cases (CN) closed without an SSA Form 3857 response to the HQ AM Analyst through normal procedures. The list must be submitted **weekly** by close of business Friday. If Form 3857 was not sent to SSA, do not include the case on the list.

Caution: Use Secure Messaging to forward a listing of SSN’s and/or taxpayer names via e-mail.

21.6.2.4.3.11
(10-01-2005)
**Unallowable (UA) TC 576
Referrals - Scrambled
SSN/Mixed Entity**

- (1) Examination refers open AIMS cases with a UA Hold (TC 576) to AM as “possible scrambled SSN.” (Follow local routing procedures.)

- a. Examination secures all returns prior to referral.
- b. Examination processing is suspended pending resolution of the SSN issue.
- c. AM performs all necessary actions to resolve the SSN condition.

Caution: DO NOT ATTEMPT TO RELEASE THE FROZEN REFUND. DO NOT ATTEMPT TO ALLOW EITC ON THESE MODULES.

21.6.2.4.3.12
(07-13-2023)
Unpostable 177

- (1) A UPC 177 condition occurs when a module creating transaction attempts to post to the valid segment of an account that has been scrambled. Scrambled indicator 01, 10, 12, or 20 and MFR 08 is present.
- (2) The Unpostable Function contacts IDTVA by E-fax using UPC 177 as the subject line for assistance in resolving the unpostable condition. See *Scrambled SSN Coordinators* and IRM 3.13.122.20.2, Unpostable Processing Code 177 Reason Code 0 Research and Referral Process. The E-fax contains information such as TIN, DLN and UPC sequence number. If the DLN is for a:
 - Paper filed return, Unpostables includes a photocopy/scan of the return(s), Form W-2(s), Form 1099, etc with the request.
 - MEF return, Unpostables notates the DLN of MEF which may be viewed on EUP.
- (3) AM SCRM coordinator must make every effort to supply the Unpostable function with information to resolve the unpostable condition the same day contacted.
 - a. The coordinator reviews the case file to locate the correct IRSN. This must be done within three business days from when AM is contacted. If the taxpayer is a new filer on the SSN, AM must obtain an IRSN for the new taxpayer. If the review and/or actions take longer than 5 business days, advise Unpostables, using CC UPCASZ, of the time frame necessary to obtain the information (e.g., 239C sent, suspend 45 days).
 - b. If needed, the coordinator input TC 000 with the appropriate scrambled SSN indicator to establish the IRSN as shown in Exhibit 21.6.2-1, Scrambled SSN Indicators.
 - c. Create new SCRM case and apply current determination procedures

Reminder: This includes residual accounts (SCI 01, SCI 20) and may require a Letter 239C, TIN-Related Problem Resolution. Make every effort to locate the second IRSN prior to sending the 239C. **Do not unlock** a residual account unless a completed 239C response is received.
 - d. The coordinator provides Unpostables with correct TIN by leaving a history on CC UPCASZ. The coordinator must update the history sheet and case file, and retain photocopies of the return and Form W-2(s) in the case file.
 - e. The coordinator sends a follow-up Form 3857 to SSA with any new information that assists in resolving the scrambled condition. Include copies of Form W-2(s), with all money amounts deleted except Social Security and Medicare amounts.

21.6.2.4.3.13
(02-06-2018)
Case History Sheet

- (1) Form 13708, Mixed Entity/Scrambled SSN Case History Sheet, is required when working a case being sent to SSA for resolution. All account actions, taxpayer contact and SSA contact must be included on the history sheet. Retain a copy of the completed Case History Sheet with the case. Scan/attach for CII inclusion only the pages of the Sheet that notate actions taken. The information retained must be sufficient to support the actions taken on the case.
- (2) The history sheet should include the following:
 - Common Number
 - IRS or CP Notice date

- Tax Periods involved
- Each taxpayer's name, address and IRSN if applicable
- Research requests (e.g., IMFOL, MFTRA), include dates
- DLN of returns requested, include date requested and date received
- Other TINs and actions, include dates and other actions taken
- All taxpayer contact

(3) Research information for all cases not sent to SSA for resolution must be recorded on the TIN-Related Problem Research Sheet which can be found on the *SERP IRM Supplements* page.

21.6.2.4.4
(10-03-2022)
NMRG Procedures

(1) General procedures for resolving common types of NMRG cases are listed below. The required action may vary based on statute information. **If a taxpayer has tax modules under more than one TIN, every effort must be made to consolidate the accounts under one unique TIN.**

Note: If appropriate, move account information to an IRSN to facilitate processing. See IRM 21.6.2.4.4.2, NMRG-DUP One Taxpayer Involved, for general guidelines on the use of an IRSN for resolving NMRG cases.

(2) If you identify a NMRG case while staffing the AM toll-free telephone line, or when providing assistance in a Taxpayer Assistance Center (TAC), do not take any account actions. Prepare Form 4442/e-4442, Inquiry Referral, and route to Fresno following the procedures in IRM 21.6.2.3.4, Reassignment of NMRG Cases due to Site Specialization.

Exception: If there is a relevant open control on the account, refer Form 4442/e-4442 to the employee who has the open control using "Open Control" as the reason for the referral. If the case is on CII and you have access, leave a case note instead of sending a referral. See IRM 21.5.2.3, Adjustment Guidelines - Research, for additional information. The open control may be on CC TXMOD or CC ENMOD.

Caution: If a case is reassigned to the NMRG unit that does not meet NMRG reassignment criteria, the case is rejected back to the originator. The NMRG employee must annotate the reason for the rejection on the Form 4442/e-4442.

(3) NMRG transcripts generate from both the correct and incorrect accounts when resequencing fails as a result of an entity transaction changing the TIN. The incorrect account may be either a valid or invalid TIN. Research CC IMFOLE/ENMOD to determine the type of transcript generated.

Caution: Individual accounts, such as husband and wife, parent and child, or brother and sister are separate entities and are **never** merged.

(4) The transcript type is an abbreviated reason for failed merge. The following is a list of transcript types worked by Accounts Management:

- NMRG-DUP
- NMRG-VEST
- NMRG-576
- NMRG-400
- NMRG-424

- NMRG-930
 - NMRG-RPS
 - NMRGXXSSN
 - NMRG-VAL
- (5) If other NMRG transcripts are received, follow local procedures.
 - (6) Some modules require the Assessment Statute Expiration Date (ASED) to be updated to reflect the correct date of the taxpayer's first return. The ASED is based on the first return filed, even if the first return was filed under a wrong TIN. Adjust the ASED, as necessary.
 - (7) If the valid or invalid account is moved to a temp account and there was a paid user fee (MFT 55) on that account, the user fee should be transferred back to the valid segment to ensure the TP is not charged an additional user fee. For additional information on moving the user fee see IRM 5.19.1.6.4.6.3, User Fee Payment Transfer/User Fee Abatements. Also re-establish the IA under the "to" account if you have been trained, if not, send a referral to Collections to have the IA established with a request to waive the user fee.
 - (8) Consider IRM 21.6.2.4.7, Economic Impact Payment (EIP) and Multiple Taxpayers Using the Same TIN, when working NMRG transcripts.
 - (9) Consider IRM 21.6.2.4.8, Advance Child Tax Credit (AdvCTC), when working NMRG transcripts.
 - (10) Consider erroneous refund and moving refund procedures when working NMRG transcripts.
 - (11) Consider erroneous abatement and barred assessment procedures when working NMRG transcripts.
 - (12) If all case actions have been completed, it is not a statute year and you are monitoring the account to ensure "**ALL**" account actions are resolved, close the case and establish a monitor base on IDRS using Category Code "MISC" with the current date as a received date. Examples of possible actions that may need monitoring include return(s) sent to process, credit transfers, excess collections file transfer, manual refunds, etc.
 - (13) Address all issues on all years before closing your case.

21.6.2.4.4.1
(10-01-2013)
NMRG-DUP

- (1) A NMRG-DUP transcript generates when:
 - An entire account (entity and all tax modules,) is resequenced from one TIN to another TIN.
 - Both TINs contain a TC 150 for the same period.
 - One or two taxpayers may be involved which may include identity theft.
- (2) Other computer checks determine if the TIN is correct for the resequenced accounts. These checks may cause the resequencing action to reject.

21.6.2.4.4.2
(11-16-2020)
**NMRG-DUP One
Taxpayer Involved**

- (1) Research the correct and incorrect accounts. If only one taxpayer is involved, process as follows:

Note: If you are resequencing an ITIN; after the resequence posts, send a Form 4442/e-4442 to the Submission Processing ITIN Unit to have the ITIN revoked. See IRM 3.21.263.8.6, Form 4442, Inquiry Referral, and IRM 21.6.2.4.1.2, Resequencing Actions Required.

If	Then
(1) Tax data is the same on both accounts	<ol style="list-style-type: none"> Combine all returns belonging to the taxpayer under the correct account. Example: Tax years 2012-2020 are on an IRSN. Tax years 2020-2022 are on an ITIN. Move the ITIN to a new IRSN. Move the original IRSN for tax years 2012-2018 to the ITIN. On the new IRSN, send TY 2021 and 2022 for reprocessing to the ITIN. Note: If a math error is involved and the returns are identical without the math error, do not combine the returns. Back out the incorrect account following the procedures in (2) below.
(2) There is a discrepancy in the tax data	<ol style="list-style-type: none"> Request returns. Determine if returns should be consolidated (e.g., additional Form W-2(s), etc.,). Combine all returns belonging to the taxpayer under the correct account. See example above. Input adjustment action on the correct account. If a math error is identified, resolve per IRM 21.5.4, General Math Error Procedures. Note: If an assessment is required to adjust the correct account, and the ASER has expired, see IRM 21.5.2.4.23.9, Moving Assessments. Resequence the incorrect account to an IRSN. Back out the IRSN following the procedures in (2) below. Send a Letter 673C, Duplicate Returns Filed; Adjustment or Refund Explained, to the taxpayer.
(3) Taxpayer received a refund under both the correct and incorrect account	Follow procedures in IRM 21.5.2.4.23.10, Moving Refunds. See also IRM 21.4.5, Erroneous Refunds, if the criteria is met.
(4) Return is for another tax period, or taxpayer	Follow Procedures in IRM 21.6.2.4.2, Mixed Entity Procedures, or IRM 21.6.7.4.2.7.1, Mixed Periods.

(2) In some cases, it may be necessary to back out the account.

Caution: **DO NOT** adjust statute expired years. **DO NOT** reprocess statute period returns or a return within 180 days of the ASER. See IRM 21.6.2.4.6, Tax Year Account Move Conditions Applicable for MXEN, SCRM, SSA2 and NMRG Cases.

- Resequence the incorrect account to an IRSN, if not already done.
- After the resequencing posts, back out the IRSN. Input TC 170.00 if TC 807 or transfer of a timely credit is required. If TC 170/TC 176 is present, input TC 171. Use BS 05 with the appropriate HC.
- Input TC 971 AC 001 on the IRSN to cross reference the valid TIN.

- d. Input TC 020 to deactivate the IRSN after all other required actions are complete and posted.
- e. Refile the return under the original return if no adjustment is necessary on the correct account.
- f. Recharge the return for the incorrect account to the correct account, if necessary.

Note: If the incorrect account is an IRSN it isn't necessary to move it to another IRSN before backing it out.

21.6.2.4.4.3
(10-05-2017)
**NMRG-DUP Two
Taxpayers Involved**

(1) When research shows two taxpayers are involved:

- a. Research CC INOLE and CC NAMES for a different TIN.
- b. Search CC INOLE and CC IMFOL on any TIN found to determine if a valid TIN can be located for the taxpayer posted on the incorrect segment.

Note: Cases that are identified as a true IDT/NMRG issue should be worked if you have been trained, otherwise route per local procedures.

If	And	Then
(1) A valid TIN is determined	TC 150 is not posted to the module	Resequence the incorrect account. No further action is necessary.
(2) A valid TIN is determined	TC 150 is present on both modules	<ol style="list-style-type: none"> 1. Resequence the incorrect account to the IRSN. 2. Back the data off the incorrect account. 3. Zero out the IRSN account. Input TC 170 .00 if TC 807 or transfer out of a timely credit is required. 4. Input TC 971 AC 001 on the IRSN account to cross reference valid TINs. 5. Input TC 020 to the IRSN account after all other actions are complete and posted.
(3) The valid TIN cannot be determined		<ol style="list-style-type: none"> 1. Correspond with the taxpayer using the Letter 239C. 2. Suspend for 40 days, 70 days for overseas taxpayers. 3. Follow mixed entity procedures or reassign as SCRM, as appropriate.
(4) The valid TP posted to the invalid side	The invalid TP posted to the valid side	See IRM 21.6.2.4.2, Mixed Entity Procedures.
(5) The invalid TP posted to the invalid side	The valid TP posted to the valid side	See IRM 21.6.2.4.2, Mixed Entity Procedures.

Note: Accurate and complete research must be performed to determine if the NMRG DUP transcript is the result of an IDT issue. If research shows that the IRSN was established to resolve the IDT issues, link all the related IDT to your case and post the following canned statement in the case notes
"This is not a true NMRG issue. There are two separate entities due to prior IDT. See linked CII case(s) for case history."

21.6.2.4.4.4
(06-13-2017)

**NMRG-DUP Processed
as Scrambled SSN**

- (1) See IRM 21.6.2.4.3, Scrambled SSN Case Procedures.

21.6.2.4.4.5
(10-01-2018)

NMRG-VEST

- (1) NMRG-VEST transcripts generate when one or both accounts contain a Retention Register (vestigial) record for the same tax period. When one taxpayer is involved, determine which years are on the Retention Register File and review account information for those years.

If	And	Then
(1) There is a TC 150 on only one account for each year	The accounts can be merged	<ol style="list-style-type: none"> 1. Reactivate the retention years in question. For example, if there is a vestigial record for 1999 on both accounts, then reactivate the 1999 tax period for both accounts. See IRM 21.5.2.4.13, Reinstating Retention Register Accounts. Reminder: All recoverable modules on the "from" account should be reinstated using CC IMFOL definer B. 2. Resequence the accounts to the correct TIN when the TC 370 is posted.
(2) There is a TC 150 on only one account for each year	The accounts can be merged after unrecoverable modules, or ones dropped prior to 1994, are reinstated	<ol style="list-style-type: none"> 1. Send Form 5248, Transfer Request, to Accounting. Include an explanation of the NMRG Condition in the remarks section. Attach a copy of the transcript and a copy of CC IMFOR definer "T" for each module that needs reinstatement by Accounting. Caution: Only the years preventing the merge should be reinstated. 2. Ensure there is an established name line year for the module being reinstated. If more than one year needs reinstatement, establish the name line year on the earliest module. 3. When the modules are reinstated, resequence the accounts to the correct TIN.
(3) There is a TC 150 on both accounts for the same year	The taxpayer filed two returns using two TINs, the accounts cannot be merged	Follow procedures in IRM 21.6.2.4.4.2, NMRG-DUP One Taxpayer Involved.

- (2) When two taxpayers are involved, see IRM 21.6.2.4.4.3, NMRG-DUP Two Taxpayers Involved.

21.6.2.4.4.6
(06-13-2017)
NMRG-576

- (1) A NMRG-576 transcript is issued when a debit module or module with a TC 570 attempts to merge with a module containing a TC 576.
- (2) When one taxpayer is involved, contact Examination to see if input of TC 577, to release TC 576, is possible. After the TC 577 posts, see IRM 21.6.2.4.4.2, NMRG-DUP One Taxpayer Involved.
- (3) When two taxpayers are involved, see IRM 21.6.2.4.4.3, NMRG-DUP Two Taxpayers Involved.

21.6.2.4.4.7
(06-13-2017)
NMRG-400

- (1) NMRG-400 transcripts generate when either account contains a module with a TC 400 freeze (Account Transfer Out), and there is a module with an equal tax period in the other account.
- (2) Examine the accounts to determine if an account consolidation is required. If so, take the following action:
 - a. Prepare Form 12810, Account Transfer Request Checklist, requesting reversal of the TC 400.
 - b. Attach a copy of the transcript to the memo and forward to the Accounting function.
 - c. Suspend the case (follow local procedures) until you receive a reply indicating the TC 400 is reversed.
 - d. Consolidate the accounts once the reply has been received.

21.6.2.4.4.8
(10-01-2005)
NMRG-424

- (1) NMRG-424 transcripts generate when a resequence fails because one or both accounts contain a module with an unreversed TC 424.
- (2) Contact Examination for instructions. If TC 424 is reversed, follow normal NMRG-DUP procedures.

21.6.2.4.4.9
(06-13-2017)
NMRG-930

- (1) NMRG-930 transcripts generate when:
 - Two accounts attempt to merge as a result of an entity transaction changing TIN
 - Both accounts contain a TC 930 posted for the same tax period
- (2) Reverse TC 930 on the incorrect account.

21.6.2.4.4.10
(10-01-2005)
NMRG-RPS

- (1) NMRG-RPS transcripts generate when:
 - Two accounts attempt to merge
 - Both accounts contain modules for the same period
 - Both modules contain a TC 150 with multiple TC 610s (one is a Remittance Processing System (RPS) payment)
 - The TC 610 and TC 150 DLNs do not match
 - The payment DLN carries the return DLN plus 400 in the Julian date and is read by the computer as a return

21.6.2.4.4.11
(10-05-2017)

**NMRG-RPS One
Taxpayer Involved**

- (1) When one taxpayer is involved:

If	Then
(1) A TC 150 is on both the accounts or only on the incorrect account	<ol style="list-style-type: none"> 1. Resequence the incorrect account to an IRSN. 2. Transfer TC 610 to the correct TIN after the resequencing is complete. 3. Zero out IRSN. Input TC 170 .00 if TC 807 or transfer out of a timely credit is required. If a TC 170/176 is present, input TC 171. Use BS 05 and HC 4. 4. Input TC 971 AC 001 on the IRSN account to cross reference correct account. 5. Input TC 020 to the IRSN after all actions are complete and posted. 6. Consolidate data on the correct account, if necessary.
(2) A TC 150 is not posted on the correct account	Reprocess the return.
(3) The return being input is delinquent and a TC 140 is present on the module	Input TC 599 CC 094, Taxable return secured, or 096 Non-taxable return secured (Return shows no tax liability before prepaid credits) and TC 971 AC 017.
(4) A TC 150 is only on the correct account	<ol style="list-style-type: none"> 1. Resequence the incorrect account to an IRSN. 2. Transfer TC 610 to the correct account after the resequence is complete. 3. Input TC 020 to the IRSN account after all actions are complete and posted.

21.6.2.4.4.12
(10-01-2020)

**NMRG-RPS Two
Taxpayers Involved**

- (1) Research for a valid TIN for the taxpayer posted to the incorrect account. If a valid TIN can be determined, follow the procedures in IRM 21.6.2.4.4.3, NMRG-DUP Two Taxpayers Involved.
- (2) If a valid TIN cannot be determined, refer to IRM 25.23.4, IDTVA Paper Process.

21.6.2.4.4.13
(10-05-2017)

**Scrambled SSN
Transcripts**

- (1) A NMRG-SCRAMBLED SSN (NMRGXXSSN) transcript generates when a resequencing account fails to merge because either the "from" or the "to" account contains an SCI of 01, 12, 13, 20, or 23 and an MFR 08. Reassign the case as SCRM. Refer to the *AM Site Specialization Temporary Holding Numbers* listing for the appropriate number.
- (2) A NMRG-SCRAMBLED SSN (NMRGXXSSN) transcript may also generate when a resequencing account fails to merge because the SSN on the "to" account is equal to the spouse's SSN in any name line on the "from" account. See IRM 21.6.2.4.2, Mixed Entity Procedures, to help determine if any actions need to be taken.

21.6.2.4.4.14
(10-02-2023)
**NMRG-VAL or
NMRG-FTHBCR
Transcripts**

- (1) NMRG-VAL or NMRG-FTHBCR Transcripts generate when either or both of the following conditions are present:
 - Both the “from” and “to” accounts contain First Time Homebuyer Credit (FTHBC) amounts for the primary taxpayer
 - Both the “from” and “to” accounts contain First Time Homebuyer Credit (FTHBC) amounts for the secondary taxpayer
- (2) The FTHBC can be found on CC IMFOLF. Adjust the FTHBC as appropriate. See IRM 21.6.3.4.2.10.7, First-Time Homebuyer Adjusting Accounts, and the *NMRG - First Time Homebuyer Credit* job aid, for additional information.
- (3) Follow Erroneous Refund procedures to recover any erroneously refunded FTHBC credits. See IRM 21.4.5.5.2, Category A2 Erroneous Refunds. For more on the FTHBC credit, see IRM 21.6.3.4.2.10, First-Time Homebuyer Credit.

21.6.2.4.4.15
(10-02-2023)
NMRG-TDA Transcripts

- (1) NMRG-TDA transcripts are received initially by CSCO. Per IRM 5.19.10.5.11.1, Processing NOMRG-TDA Transcript, CSCO reassigns to AM if there is a TC 150 posted on both numbers.
- (2) NMRG-TDA transcripts received in AM should be worked like NMRG-DUP. See IRM 21.6.2.4.4.1, NMRG-DUP.

21.6.2.4.4.16
(11-15-2018)
UPC 134-3

- (1) UPC 134-3 generates on CC ENMOD when a resequence fails because the “from” account contains a TC 898 within six years of the original offset date.
- (2) If the “from” account is not the invalid segment of the “to” account,

Example: “From” account is an ITIN and “to” account is an SSN.

Example: “From” account is the invalid segment of someone else’s SSN, “to” account is the taxpayer’s valid SSN.

take the following actions:

1. If appropriate reverse the TC 898 following the instructions in IRM 21.4.6.5.19, Re-sequence Cases.
2. Input a CII case note indicating each TC 898 reversed and the tax year.
3. Follow NMRG-DUP instructions. See IRM 21.6.2.4.4.1, NMRG-DUP.
4. Input a CII case note indicating when the merge transaction is input.

Exception: If the “from” account is a revoked ITIN and there is an un-reversed TC 898 within 6 years of offset, follow No Move Procedures for all modules. See IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information.

Note: TC 971 AC 001 cannot be input to an account with a revoked ITIN. The transaction will unpost with UPC 151-0.

- (3) If the “from” account is the invalid segment of the “to” account and both accounts have a **valid** name control, take the following actions:

Caution: Do not attempt to reverse the TC 898. An adjustment input to the invalid segment will attempt to post to the valid segment.

1. Verify that no other conditions are present on the invalid segment which would prevent a successful merge. See IRM 21.6.2.4.1.2, Resequencing Action Required.
2. Input TC 040 to move the **valid** segment of the TIN to an Internal Revenue Service Number (IRSN).

Note: If the merge is successful the valid segment becomes available. Once the DM-1 tape runs the invalid segment, it systemically re-sequences to the valid segment.

Caution: The TC 898 NMRG condition is bypassed **only if** the resequence is initiated systemically.

3. Once the “from” account has merged to the valid segment, merge the IRSN back to the valid TIN.

21.6.2.4.5
(10-02-2023)
**Revalidation (REVAL)
Transcripts**

- (1) REVAL transcripts generate from the invalid TIN or from the ITIN of a failed merge. Research CC IMFOLE/ENMOD for the NMRG code to determine which of the following procedures to apply for REVAL cases.
- (2) The transcript type is the abbreviated reason for the failed merge. Accounts Management works the following transcripts:
 - REVAL-DUP
 - REVAL-VEST
 - REVAL-576
 - REVAL-400
 - REVAL-424
 - REVAL-RPS
 - REVALXXSSN
- (3) Consider IRM 21.6.2.4.7, Economic Impact Payment (EIP) and Multiple Taxpayers Using the Same TIN, and IRM 21.6.2.4.8, Advance Child Tax Credit (AdvCTC), when working NMRG transcripts.
- (4) Consider erroneous refund and moving refund procedures when working NMRG transcripts.
- (5) Consider erroneous abatement and barred assessment procedures when working NMRG transcripts.

21.6.2.4.5.1
(06-13-2017)
**REVAL-One Taxpayer
(One Sided)**

- (1) A one-sided REVAL is a successful merge posted to the invalid side of the TIN. Only one taxpayer is involved.
- (2) Input TC 041 with the taxpayer’s correct first name line, using the year digit of the most recent module account. This forces the account to the proper segment. See IRM 3.13.5.128, Invalid Segment Bypass (TC 041).

21.6.2.4.5.2
(10-05-2017)
**REVAL-DUP One
Taxpayer Involved**

- (1) REVAL-DUP transcripts generate when:
 - a. The SSA Data tape changes the validity of a Name Control (NC) and causes an attempted merge of two accounts.
 - b. Each account contains a TC 150 for the same period(s).
- (2) These transcripts generate automatically with the quarterly update of the SSA Data tape.

- a. Transcripts contain data on both the “to” and “from” accounts.
 - b. REVAL-DUP transcripts may involve one or more taxpayers.
- (3) Research the correct and incorrect accounts. If only one taxpayer is involved, take the following action on the **incorrect** account:
- a. Resequence the account to an IRSN.
 - b. Zero out the IRSN account after the merge to the IRSN has been completed.
 - c. Input TC 170 .00 when zeroing the account if TC 807 or transfer of a timely credit is required. If a TC 170/TC 176 is present, input TC 171. Use BS 05, with HC 4.
 - d. Input TC 971 AC 001 on the IRSN to cross reference the valid TIN.
 - e. Input TC 020 to the IRSN after all actions are complete and posted.

- (4) Take the following action on the **correct** account:

- a. Input an entity change in the same cycle as the back out of the IRSN account, for the latest period name line to correct the name and address.

Note: A NMRG-DUP case is created if the name is changed on the correct account before the resequence posts. **DO NOT** input an entity change if the NC is accurate.

- b. Analyze the returns to determine if adjustment action is necessary.

If	Then
An adjustment is necessary	Consolidate the returns on the correct account.
No adjustment is necessary	<ol style="list-style-type: none"> 1. Input a TC 290 .00 two cycles after the entity change posts. 2. Use the appropriate refile blocking series. 3. Attach both returns to the adjustment document.

- (5) If the taxpayer received a refund under both the correct and incorrect accounts, follow erroneous refund procedures in IRM 21.4.5, Erroneous Refunds.

21.6.2.4.5.3
(03-03-2017)
**REVAL-DUP Two
Taxpayers Involved**

- (1) If a REVAL-DUP transcript generates with two taxpayers involved, follow instructions in IRM 21.6.2.4.4.3, NMRG-DUP Two Taxpayers Involved.

21.6.2.4.5.4
(10-05-2017)
REVAL-VEST

- (1) A REVAL-VEST transcript generates when a resequence fails and both of the following conditions exist:
- A retention record is on one account and the same module is on the other account (either on retention or MF)
 - The SSA Data tape changes the validity of name control causing it to post to the invalid side or on the ITIN.
- (2) Research retention accounts for (valid and invalid for same TIN or on the ITIN and SSN).

If	Then
Consolidation is unnecessary or impossible after the resequence attempt	Leave an explanation in a case note on CII.
Consolidation is necessary (consider statute of limitations)	<ol style="list-style-type: none"> 1. Obtain an IRSN. 2. Reactivate the retention years in question. See, IRM 21.5.2.4.13, Reinstating Retention Register Accounts. 3. Input TC 041 to resequence the invalid TIN to the IRSN.

21.6.2.4.5.5
(10-05-2017)

- (1) When the TC 370 posts and for the same module, only one account has a TC 150:

**TC 370 Posts-One
Account Has a TC 150**

If	Then
The NC is not accurate on the account	Input an entity change to correct the name for the latest period name line.
An entity change was made on the correct account	Input TC 041 to merge the incorrect account on the IRSN to the correct account after the entity change has posted.

21.6.2.4.5.6
(10-05-2017)

- (1) When TC 370 posts and there is a TC 150 on both the correct and IRSN accounts for the same module, analyze them to determine if an adjustment action is necessary.

**TC 370 Posts - Both
Accounts Have TC 150**

If	Then
(1) The correct account, same module, no adjustment needed	Input TC 020 on the IRSN.
(2) The NC is not accurate on the correct account	Input an entity change to correct the name for the latest period name line.
(3) The correct account's same module requires an adjustment (e.g., 25 percent omission of income)	<ol style="list-style-type: none"> 1. Zero out the IRSN's same module. Input TC 170 .00 if TC 807 or transfer of a timely credit is required. If TC 170/176 is present, input TC 171. 2. Use BS 05, with appropriate HC. 3. Input TC 971 AC 001 on the IRSN account to cross-reference the valid SSN. 4. Input TC 020 to IRSN account after all actions taken on the IRSN are complete and posted. 5. Adjust correct account's same module. 6. Correct the name for the latest period name line in the same cycle as the back out of the IRSN.

- (2) Adjust the correct account if the adjustment action is necessary for any other module. This can be done only after the name change, if input, is posted.

21.6.2.4.5.7
(10-01-2005)
REVAL-576

- (1) A REVAL-576 transcript generates when:
- A debit module or module with a TC 570 attempts to merge with a module containing a TC 576
 - The TIN validity of NC changes
- (2) Contact Examination for input of TC 577 to release the TC 576. Take the following action after the TC 577 posts:

If	Then
Only one account contains a TC 150	Input TC 041 to resequence the account.
Both accounts contain a TC 150	Follow REVAL-DUP procedures.

21.6.2.4.5.8
(10-01-2005)
REVAL-400

- (1) REVAL-400 transcripts generate when the file validity to which the account is returned is opposite to the correct account's validity.
- (2) Follow instructions in IRM 21.6.2.4.4.7, NMRG-400.

21.6.2.4.5.9
(09-14-2016)
REVAL-424

- (1) REVAL-424 transcripts generate when a resequence fails because:
- One or both accounts contain a tax module with an unreversed TC 424
 - The TIN validity of the file to which the account is returned is opposite to the account's TIN validity
- (2) After TC 424 is reversed, follow procedures in IRM 21.6.2.4.4, NMRG Procedures.

21.6.2.4.5.10
(10-01-2005)
REVAL-RPS

- (1) REVAL-RPS transcripts generate when:
- The SSA Data tape changes the validity of the NC causing two accounts to attempt to merge
 - Both accounts contain a combination of a TC 150 and multiple TC 610 (one is an RPS) for the same tax period

21.6.2.4.5.11
(10-05-2017)
**REVAL-RPS One
Taxpayer Involved**

- (1) Action required when one taxpayer is involved:
1. Resequence the incorrect account to an IRSN using TC 041.
 2. Transfer the TC 610 to the correct account after the resequence is complete.
 3. Zero out the IRSN account, using the appropriate HC. Input TC 170 .00 if a TC 807 or transfer out of a timely credit is required. Input TC 171 if TC 170 TC 176 is present.
 4. Input TC 971 AC 001 on the IRSN to cross-reference correct TIN.
 5. Input TC 020 to the IRSN after all other actions are complete and posted.
 6. Correct the name for latest period name line, on correct account, **in the same cycle as the back out of the IRSN.**

21.6.2.4.5.12
(10-01-2020)
**REVAL-RPS Two
Taxpayers Involved**

- (1) If a valid TIN cannot be determined see IRM 25.23.4, IDTVA Paper Process.

21.6.2.4.5.13
(10-01-2018)
REVALXXSSN

- (1) REVAL SCRAMBLED SSN (REVALXXSSN) transcripts generate if the validity of the CN and SSN are opposite the validity of the segment to which it was returned after a failed merge on a scrambled SSN case. Reassign case as SCRM. Refer to the *AM Site Specialization Temporary Holding Numbers* listing for the appropriate number.
- (2) A REVAL SCRAMBLED SSN (REVALXXSSN) transcript may also generate when a resequencing account fails to merge because the SSN on the “to” account is equal to the spouse’s SSN in any name line on the “from” account. See Mixed Entity procedures for help determining if any actions need to be taken. See IRM 21.6.2.4.2, Mixed Entity Procedures.

21.6.2.4.6
(10-01-2019)
**Tax Year Account Move
Conditions Applicable
for MXEN, SCRM, SSA2
and NMRG Cases**

- (1) The tax account information should be moved when **any** of the following conditions are met:
- The Assessment Statute Expiration Date (ASED) is open.
Reminder: If the ASED is expired or imminent on a tax return being reprocessed, **NEVER** abate tax on the “from” account until the reprocessing is complete and the tax has posted.
Caution: The ASED does not apply on a case that has been determined a nullity. The return must be considered valid in order for the ASED to apply. Refer to IRM 25.6.1.6.14, Criteria for Establishing a Statute of Limitations Period, paragraph (3)(b), for additional information.

- There is a “-C” freeze on the tax year account. A “-C” freeze indicates the taxpayer is/was in a combat zone and the time period for filing a return for that tax year may have been extended.

Note: The -C freeze stays on the account for historical purposes even after the taxpayer is no longer in the CZ. When working an account that contains a -C freeze, additional research is required to determine that taxpayer’s CZ status. Research CC IMFOLE for the Combat indicator on Line 11, to determine the correct action to take based on the following: If Combat indicator is “1”, then the taxpayer is still serving in a combat zone. Any compliance activity such as assessing or collecting tax is prohibited. If the taxpayer has other issues or requests information, you may work these other issues and contact the taxpayer if needed. If Combat indicator is “2”, then the taxpayer is no longer a combat zone participant. Follow normal IRM procedures to work the case.

- There is a balance owed on the tax year account.

Note: Contact Automated Underreporter (AUR) if there is an AUR assessment which appears incorrect. See Exhibit 4.13.7-6 Addresses for AUR Reconsideration Requests, to determine who to contact. The contact may give you approval to reverse the AUR assessment. Document your AUR contact and their response on the CII case.

- The tax year account has an overpayment that must be refunded from the “to” account.

Caution: If there is an indication another area is considering action on the tax year account, e.g., an open control by Exam, AUR, Collections, etc., contact the area. The tax year may need to be moved based on the action they are taking on the account. Document your contact in the CII notes.

21.6.2.4.6.1
(10-02-2023)
**Not Moving Specific
Year Account
Information**

- (1) Take the following actions when you have determined, per IRM 21.6.2.4.6, Tax Year Account Move Conditions Applicable for MXEN, SCRM, SSA2 and NMRG Cases, that it is not necessary to move posted tax account information. **Unless specifically noted, the actions listed in this paragraph apply to MXEN, SCRM, SSA2, and NMRG cases. The bullet items listed here are related to the actions required on the “IRSN”.**

- Refer the case to your Lead or designated individual for approval not to move the tax account information. If approved, the Lead or designated individual must notate approval in the **CII Case Notes**. CSR/TE must input a case note of “not moved” or specific determination made, prior to requesting approval.
- Establish a name line on the “to” account for the tax year not being moved. Include the name(s), filing status, and spouse’s SSN (if applicable) as shown on the return.
- Input a TC 971 AC 001 with the return received date on the “from” account to cross-reference the “to” account.

- After the name line has posted on the “to” account, input a TC 971 AC 017 on the “to” account to cross-reference the “from” account. Use the received date of the return not being moved.
- For MXEN, SCRM, and SSA2 cases, enter the following CII case note, filling in the applicable year: “Tax Year YYYY not filed by TP. See TC 971 AC 001 X-Ref”.

Note: If reactivation requires obtaining microfilm, a note on CII is sufficient indicating the location of the cross-reference tax year.

Caution: The ASED does not apply on a case that has been determined a nullity. The return must be considered valid in order for the ASED to apply. Refer to IRM 25.6.1.6.14, paragraph (3)(b), Criteria for Establishing a Statute of Limitation Period, for additional information. If the return is determined valid, an IRSN should be obtained in order to process the return for Taxpayer B.

(2) Take the following additional actions for the tax year(s) to remain posted on the account. **These additional actions listed in this paragraph apply ONLY to MXEN, SCRM, SSA2 cases. The bullet items listed here are related to the actions required on the “SSN”.**

- For the “from” tax year(s) account(s), (the tax year(s) account(s) not being moved), change the name line on the tax year(s) to: “NOT FILED] *NAMC*”. “*NAMC*” here represents the name control of the taxpayer who owns the SSN. You must type in the name control of the SSN owner instead of typing in “*NAMC*”. Also update the address to the most current address, if applicable.
- If the return that posted to the Common Number, on the “from” account tax year has Self-Employment (SE) income, input CRN 878/CRN 895 and/or CRN 879/CRN 896 to zero out primary SE and Medicare income. See IRM 21.6.4.4.14.2, Self-Employment Tax Adjustments.
- If the return that posted to the CN, on the **from** account tax year has unreported tip income, input CRN 892/CRN 899 to zero out the primary and secondary tip income. See IRM 21.6.4.4.14.5.1, Adjusting Form 4137, Social Security and Medicare Tax on Unreported Tip Income.
- If an overpayment on the tax year account not being moved is over one-year old, move the overpayment to excess collections.

Note: If the taxpayer has a valid TIN and a refund should be issued, the tax year account must be moved to the taxpayer’s valid TIN.

- Any overpayment that has been offset to a Bureau of the Fiscal Service (BFS) debt and must be reversed, use HC 4. If the overpayment is over one year old, move it to excess collections. A letter must be sent to the taxpayer who has the BFS debt, notifying them of the reversal. If the BFS offset is over 6 years old, a manual reversal is required. Refer to IRM 21.4.6.5.17, Mixed Entity Cases with TOP Offsets, and IRM 21.4.6.5.18, Scrambled SSN Cases with TOP Offsets.
- Reverse any IRS offsets. If the overpayment is over one-year old, move the overpayment to excess collections. A letter should be sent to the SSN owner informing them of the overpayment reversal.
- If adjusting 2008 and FTHBC was claimed by the invalid taxpayer, see IRM 21.6.4.4.17.4, Manually Adjusting the Recapture Amount, to update the CC IMFOLF information.

21.6.2.4.6.2
(03-18-2022)
**Moving Specific Year
Account Information**

- (1) If there are 180 or more days remaining before the ASED expires, reprocess the return. See IRM 21.5.1.5.5, Processing/Reprocessing CII Tax Returns, and IRM 21.5.2.4.23, Reprocessing Returns/Documents. If reprocessing a return back to its original TIN, edit with SPC "B".
- (2) If there are less than 180 days remaining before the ASED expires, refer the return to Statute for a prompt assessment.

Caution: The ASED does not apply on a case that has been determined a nullity. The return must be considered valid in order for the ASED to apply. Refer to IRM 25.6.1.6.14 (3)(b), Criteria for Establishing a Statute of Limitations Period, for additional information.

Reminder: If the tax year account is within 180 days of the ASED, **DO NOT** abate tax on the "from" account prior to the tax being posted on the "to" account. Once the return has been reprocessed and the tax information has posted, or a prompt assessment has been made on the "to" account, the "from" account may be backed off to the correct amount.

- (3) If the ASED is expired for the tax year(s) at issue, and move conditions are met, take action to move the tax account information as appropriate. If applicable, initiate a manual account transfer using Form 12810, Account Transfer Request Checklist. See IRM 21.5.2.4.23.9, Moving Assessments.

Note: After the tax account information has posted, input the applicable item reference numbers (IRN) to the "to" account (e.g., IRN 888, 896).

- (4) For general information when the tax year account must be transferred via Form 12810 per the guidelines above, see IRM 25.6.1.9.9.3, Correct Records on Expired Statute Periods. Also see (7) below to expedite the processing and/or prevent delays of Form 12810.
- (5) When the tax year account must be transferred via Form 12810, the tax year account must be in debit or zero balance. Accounting rejects any requests where the tax year account is showing or will show, once Form 12810 transfer has been completed, a credit balance. Credit balances must be resolved expeditiously, whether as a refund to the correct taxpayer, if allowable, or as a transfer to Excess Collections. Make sure the entity information for the IRSN account has posted and all freeze conditions are resolved prior to sending Form 12810 to Accounting.
- (6) If all other statute expiration dates have expired and there is no indication of activity or pending activity on the tax year account, do not move an incorrectly posted tax year if the Collection Statute Expiration Date (CSED) is expired or has less than 10 months remaining before it expires. No additional account moving action is required on these tax years.
- (7) See the following IRM sections for proper processing of Form 12810:
 - Form 12810 must be processed within a six-day timeframe per IRM 3.17.21.6 (3), Master File Account Transfers-Out.

Reminder: Ensure you submit Form 12810 to the appropriate accounting function via EEFax or e-mail.

- Any forms that are rejected by SP are sent back to the originator using an electronic format, by e-mail or EEFax. This prevents unnecessary delays, per IRM 3.17.21.6.1 (1), Processing Account Transfers to the Master File (IMF/BMF).
- The employee assigned to complete the transfer needs to open a control base, using category IRRQ, when it is determined that the transfer request is required, per IRM 3.17.21.6.1 (8), Processing Account Transfers to the Master File (IMF/BMF).

21.6.2.4.7
(10-03-2022)

Economic Impact Payment (EIP) and Multiple Taxpayers Using the Same TIN

- Economic Impact Payments (EIP) are advance payments of the Recovery Rebate Credit (RRC). IRC 6428, created the first EIP (EIP1), IRC 6428A, created the second EIP (EIP2), and IRC 6428B, created the third EIP (EIP3). See IRM 21.6.3.4.2.13, Economic Impact Payments, for more information.
- EIP1 was required to be issued by December 31, 2020, EIP2 by January 15, 2021, and EIP3 by December 31, 2021. EIP1 and EIP2 refunds were issued from tax year 2020 and EIP3 from tax year 2021. Only the EIP1 refund could offset to child support. See IRM 21.6.3.4.2.13.1, Economic Impact Payments - Account Information, for specifics as relates to each of EIP eligibility and the transaction codes used to identify the payments.
- All** cases resolved using IRM 21.6.2.4, TIN Related Problems Procedures, **must** be researched to determine if EIP was issued. If EIP was issued, it is necessary to identify who received the payment.

Caution: **Do not** assume EIP is not impacted because the case is assigned for a tax year other than 2020/2021.

21.6.2.4.7.1
(02-04-2022)

Economic Impact Payment (EIP) – Account Research

- Economic Impact Payments (EIP) may be identified by:
 - An *account transaction* on the 2020/2021 module as a TC 290, containing Credit Reference Number(s) (CRN) 338 or 257, and Reason Codes(s) (RC) attributable to the EIP; **and**,
 - An *entity transaction* on CC IMFOLE as TC 971 AC 199 MISC field which identifies the source used to determine the eligibility and amount of the EIP, or why EIP was not allowed. See IRM 21.6.3-2, TC 971 AC 199 MISC Field Descriptions for Economic Impact Payments (EIPs), for more information.

Note: A TC 971 AC 195 may be present instead of a TC 971 AC 199, or both may be present

Example: A married filing joint return with one child would post as:

Primary CC IMFOLT	Secondary CC IMFOLT
TC 766 \$2,400 CRN 338	TC 290 .00
TC 766 \$500 CRN 257	
TC 846 \$2,900	
TC 290 .00	

Primary CC IMFOLA	Secondary CC IMFOLA
TC 290 .00	TC 290 .00
RC 001 / 213 / 209 HC 3	RC 001 / 213 / 209 HC 3
CRN 338 \$2,400	CRN 338 .00
CRN 257 \$500	

Primary CC IMFOLE	Secondary CC IMFOLE
TC 971 AC:199	TC 971 AC:199
MISC:0145000 REB2019	MISC:0145000 REB2019

See IRM 21.6.3.4.2.13, Economic Impact Payment – Account Information, for more information.

- (2) Taxpayer A is the *valid* taxpayer who correctly used the Taxpayer Identification Number (TIN) and is to remain on the *valid* Common Number. Taxpayer B is the *invalid* taxpayer who incorrectly used the TIN and must be reprocessed to their valid TIN, if located, or to an *invalid* Internal Revenue Service Number (IRSN).
- (3) If EIP was **not** issued, continue to the case specific IRM and follow normal procedures.
- (4) If EIP was issued, use the table below to determine who received the EIP when the case involves a TIN-related problem.

If	And	Then
(1) MXEN determination,	TP A posted first,	<ul style="list-style-type: none"> The valid taxpayer received their EIP. Continue to case specific IRM and follow normal procedures.
(2) MXEN determination,	TP B posted first and EIP was issued by direct deposit,	<ul style="list-style-type: none"> The valid taxpayer did not receive their EIP. Continue to paragraph (5) as adjustment to EIP is needed.
(3) MXEN determination,	TP B posted first and EIP was issued by paper check,	<ul style="list-style-type: none"> Review the address, including the cycle date of the last change, to determine who the check was mailed to. Continue to paragraph (5) as an adjustment to EIP may be needed.

If	And	Then
(4) MXEN determination	More than one EIP was issued from one or more TINs	<ul style="list-style-type: none"> Research accounts to determine who received each refund. Continue to paragraph (5) as an adjustment to EIP is needed.

Reminder: Addresses on taxpayers' accounts may have been updated multiple times. In an effort to ensure determinations of receipt are correct, it is suggested IDRS CC FINDS is used to compare address updates with the cycle date of the TC 846 for the payment in question. This CC provides a long-term history of the taxpayer's address and cycle dates for each change.

- (5) The filing status from the return used to compute EIP plays an important role in your research and how adjustments are input. Married Filing Joint (MFJ) accounts reflect the transactions on both the primary and secondary tax year 2020/2021 and entity modules. The adjustment on the primary module includes the significant amounts, and the adjustment on the secondary module posts with .00 amounts.

For Joint tax returns, you must:

1. Determine where the EIP is located (primary or secondary TIN).
2. Determine if the original entity transaction(s) was applied to only one spouse or was split between spouses.
3. Determine if one or both spouses' entity transaction should be updated.

Note: Entity transactions TC 971 AC 199 are systemically updated from tax account adjustments on the 2020/2021 module and **cannot** be manually updated. When an entity transaction requires manual update, a TC 971 AC 195 must be used.

21.6.2.4.7.2
(10-24-2022)

**Economic Impact
Payment (EIP) – Manual
Adjustments – General
Information**

- (1) The CRN(s) used to adjust EIP are determined by the facts and circumstances of the case.
- (2) Manual adjustments to EIP when resolving TIN-related problems allows for a "balancing" of the accounts. This includes "moving" the EIP refund from one account/module to another using a credit transfer, and an adjustment for the EIP as part of the account resolution on TIN-related problems.
- (3) When inputting manual adjustments for any EIP, use reason codes 214 - 219 shown in IRM 21.6.3.4.2.13.1 (3), Economic Impact Payments - Account Information, as appropriate. When inputting an adjustment using CRN 338 and/or CRN 257, the first two positions must be 000. The same reason codes and CRNs are used for both the negative and positive adjustments.
- (4) Generally, adjustments apply to both spouses, and if so, use the CRNs and reason codes (RCs) shown in IRM 21.6.3.4.2.13.1 (3), Economic Impact Payments – Account Information. When these reason codes are used, the system updates the entity transactions (TC 971 AC 199) for both spouses by splitting the adjustment and applying half to each spouse.

Reminder: Adjustments to EIP1 and EIP2 must be input separately and use a post delay code (PDC) to prevent unpostable transactions.

- (5) Prior to adjusting joint returns, review the TC 971 AC 199/195 amount shown on each TIN. For tax year 2020/2021 the TC 971 AC 199 is systemically generated **only** when decreasing EIP. If multiple EIP adjustments on the same TIN are needed, input each adjustment separately using posting delay and hold codes to accurately reflect the amount each spouse received.
- (6) Reverse the entire EIP adjustment using the same CRNs shown on CC IMFOLA, and RC 214-219 in the third position as appropriate.

Reminder: When a secondary TIN is present, you must include that TIN in the "XREF-TIN" field to ensure the adjustment updates the secondary entity transaction amount.

- (7) Manual adjustments create a systemic TC 971 AC 199 in the entity. The values for the "MISC" field are:
 - REBADJ - EIP allowed or increased (tax year 2021 only)
 - REVREB - EIP reversed or reduced (tax year 2020 and 2021)

Note: TC 971 AC 199 REBADJ **does not** generate systemically after cycle 202050. TC 971 AC 199 REVREB **does** generate systemically after cycle 202050.

Note: The combined dollar amount associated with the TC 971 AC's 199/195 are used to compute the Recovery Rebate Credit (RRC) on the 2020/2021 return.

- (8) When decreasing EIP, the TC 971 AC 199 entity transaction is systemically generated. When making a positive adjustment to EIP with HC 4, manual input of TC 971 AC 195 entity transaction is required.
- (9) For mixed entity (MXEN) cases, follow IRM 21.6.2.4.7.2.1, Mixed Entity EIP Adjustments
- (10) For no merge (NMRG) cases, follow IRM 21.6.2.4.7.2.2, No Merge EIP Adjustments.
- (11) For scrambled SSN (SCRM/SSA2) cases, follow IRM 21.6.2.4.7.2.3, Scrambled SSN/SSA2 EIP Adjustments.

21.6.2.4.7.2.1 (10-03-2022) Mixed Entity EIP Adjustments

- (1) The instructions in this section should be used in conjunction with the instructions in IRM 21.6.2.4.2, Mixed Entity Procedures, for account resolution.

Reminder: Entity information on all TINs should be resolved prior to taking steps shown below (e.g., name, address).

- (2) When the EIP1 was computed based on a mixed entity (MXEN) return **and** the payment **was** involved in an offset to a child support debt, refer to the table below.

Tax Year used for EIP1 eligibility	Valid Taxpayer	Tax Year 2020 Module Actions
Scenario 1 TP B posted first	<ul style="list-style-type: none"> All of the original EIP1 was offset to a child support obligation OR Some of the original EIP1 was offset to a child support obligation AND TP A received the portion of EIP1 in excess of the amount offset to child support. 	Continue MXEN case resolution following IRM 21.6.2.4.2, Mixed Entity Procedures.
Scenario 2 TP B posted first	<ul style="list-style-type: none"> Some of the original EIP1 was offset to a child support obligation AND TP B received the portion of EIP1 in excess of the amount offset to child support. 	Continue to paragraph (4)

- (3) For mixed entity (MXEN) cases involving all other EIP, follow the procedures outlined in the table below:

Tax Year used for EIP eligibility	And	Tax Year 2020 and/or 2021 Module Action
Scenario 1 MXEN - TP B posted first	The EIP was not issued	Continue MXEN case resolution following IRM 21.6.2.4.2, Mixed Entity Procedures.
Scenario 2 MXEN - TP B posted first	The EIP was issued to TP B	Continue to paragraph (5)
Scenario 3 MXEN - TP B posted first	The EIP was issued to TP A	Continue MXEN case resolution following IRM 21.6.2.4.2, Mixed Entity Procedures.
Scenario 4 MXEN - TP B posted first	<ul style="list-style-type: none"> The EIP was issued to TP B AND TP B received EIP on the correct TIN 	Continue to paragraph (5)

- (4) When referred to this paragraph because EIP1 payment **was** involved in offset to a child support obligation in scenario 2 above, take the following actions:

- If any portion of EIP1 was issued to TP B, follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the EIP *from* TP A's 2020 module *to* TP B's correct TIN 2020 module. Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.

2. Input TC 470 CC 90 on the 2020 module for TP B.
3. Adjust TP B's 2020 module to reflect the amount of EIP1 issued using the same CRN(s) shown on TP A's CC IMFOLA 2020, RC 214-219 in the third position as appropriate, and HC 4.
4. Adjust TP A's 2020 module to reduce the amount of EIP1 on the module to reflect the exact amount of EIP1 applied to the child support obligation. Input TC 290 .00 with BS 05, SC 0, the appropriate CRN(s) and amount(s), RC(s), and HC 4.
5. Input a TC 971 AC 195 on TP B's entity using the *from* account TC 971 AC 199 entity information for the transaction date and MISC field inputs.
6. Continue MXEN case resolution following normal procedures.

Reminder: Do not request repayment of any amount of EIP the taxpayer received in excess of the amount they are entitled to. This includes an offset to a child support debt.

- (5) When referred to this paragraph involving all other EIP in scenarios 2 and 4 above, take the following actions:

Reminder: Adjustments to EIP1 and EIP2 must be input separately and use a post delay code (PDC) to prevent unpostable transactions.

1. If any portion of EIP was issued to TP B, follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the EIP *from* TP A's 2020 and/or 2021 module *to* TP B's correct TIN 2020 and/or 2021 module. Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.
2. Input TC 470 CC 90 on the 2020 and/or 2021 module for TP B.
3. Adjust TP B's 2020 and/or 2021 module to reflect the amount of EIP issued using the same CRN(s) shown on TP A's CC IMFOLA 2020, RC 214-219 in the third position as appropriate, and HC 4.
4. Adjust TP A's 2020 and/or 2021 module to fully back out the EIP using the same CRN(s) as shown on CC IMFOLA, RC 214-219 in the third position as appropriate, and HC 4.
5. Input a TC 971 AC 195 on TP B's entity using the *from* account TC 971 AC 199 entity information for the transaction date and MISC field inputs.
6. Continue MXEN case resolution following normal procedures.

Reminder: Do not request repayment of any amount of EIP the taxpayer received in excess of the amount they are entitled to.

21.6.2.4.7.2.2
(10-03-2022)
**No Merge EIP
Adjustments**

- (1) The instructions in this section should be used in conjunction with the instructions in IRM 21.6.2.4.4, NMRG Procedures, for account resolution.

Reminder: Entity information on all TINs should be resolved prior to taking steps shown below (e.g., name, address).

Reminder: There is no requirement for the valid TIN to contain the most modules/information.

- (2) For no merge (NMRG) cases, follow the procedures outlined in the table below:

Scenario	And	Then
(1) • One taxpayer involved AND • No EIP was issued	Intentionally left blank	Follow IRM 21.6.2.4.4, NMRG Procedures.
(2) • One taxpayer involved AND • EIP was issued on valid TIN	• Resequencing action required AND • ALL years meet “no move” criteria (e.g., ASER expired)	Follow IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information
(3) • One taxpayer involved AND • EIP was issued on valid TIN	• Resequencing action required AND • Some years meet “no move” criteria (e.g., ASER expired)	Continue to paragraph (4)
(4) • One taxpayer involved AND • EIP was issued on valid TIN	• Resequencing action required AND • ALL years meet “move-” criteria (e.g., balance due, -C freeze)	Continue to paragraph (5)
(5) • Two taxpayers involved AND • EIP was issued	Resequencing action required	Follow IRM 21.6.2.4.4.3, NMRG-DUP Two Taxpayers Involved
(6) • Two taxpayers involved AND • EIP was issued	Determined mixed entity	Follow IRM 21.6.2.4.7.2.1, Mixed Entity EIP Adjustments, and IRM 21.6.2.4.2, Mixed Entity Procedures

- (3) If a manual adjustment to EIP is **not** required as part of account resolution, continue to the case specific IRM and follow normal procedures.
- (4) When referred to this paragraph because EIP and resequencing action on NMRG case is required in scenario 3 above, take the following actions:
1. Resequence invalid TIN to IRSN.
 2. Reprocess any returns that meet “move” criteria from the invalid TIN or IRSN, to the valid TIN per IRM 21.6.2.4.6.2, Moving Specific Year Account Information.
 3. Fully back out all tax years on the IRSN sent for reprocessing to the valid TIN.
 4. Follow IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information, for remaining tax years on IRSN.
 5. Follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the EIP from the IRSN module(s) to the valid TIN's module(s). Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.

6. Input TC 470 CC 90 on the valid TIN module(s).
 7. Adjust the valid TIN's module(s) to reflect the amount of EIP issued using the same CRN(s) shown on CC IMFOLA 2020 "from" account, RC 214-219 in the third position as appropriate, and HC 4.
 8. Fully back out the EIP on the IRSN's module(s) using the same CRN(s), as shown on CC IMFOLA, RC 214-219 in the third position as appropriate, and HC 4.
 9. Input a TC 971 AC 195 on TP B's entity using the *from* account TC 971 AC 199 entity information for the transaction date and MISC field inputs.
 10. Continue NMRG case resolution following normal procedures.
- (5) When referred to this paragraph because EIP and resequencing action on NMRG case is required in scenario 4 above, take the following actions:

Reminder: Adjustments to EIP1 and EIP2 must be input separately and use a post delay code (PDC) to prevent unpostable transactions.

1. Resequence valid TIN to IRSN.
2. Resequence invalid TIN to valid TIN.
3. Reprocess any returns there are 180 or more days remaining before the ASER expires from the IRSN to the valid TIN per IRM 21.6.2.4.6.2, Moving Specific Year Account Information.
4. Fully back out all tax years on the IRSN sent for reprocessing to the valid TIN.
5. Follow IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information, for remaining tax years on IRSN.
6. Follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the EIP from the IRSN module(s) to the valid TIN's module(s). Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.
7. Input TC 470 CC 90 on the valid TIN's module(s).
8. Adjust the valid TIN's module(s) to reflect the amount of EIP issued using the same CRN(s) shown on CC IMFOLA "from" account, RC 214-219 in the third position as appropriate, and HC 4.
9. Fully back out the EIP on the IRSN's module(s) using the same CRN(s) as shown on CC IMFOLA, RC 214-219 in the third position as appropriate, and HC 4.
10. Input a TC 971 AC 195 on TP B's entity using the *from* account TC 971 AC 199 entity information for the transaction date and MISC field inputs.
11. Continue SCRM/SSA2 case resolution following normal procedures.

21.6.2.4.7.2.3
(10-03-2022)
**Scrambled SSN/SSA2
EIP Adjustments**

- (1) The instructions in this section should be used in conjunction with the instructions in IRM 21.6.2.4.3, Scrambled SSN Case Procedures, for account resolution.

Reminder: Entity information on all TINs should be resolved prior to taking steps shown below (e.g., name, address).

- (2) For scrambled SSN (SCRM/SSA2) cases, follow the procedures outlined in the table below:

Scenario	And	Then
(1) Taxpayer 1 received EIP	Resequencing Taxpayer 1 to IRSN 1	Follow IRM 21.6.2.4.3, Scrambled SSN Case Procedures
(2) Taxpayer 2 received EIP	Resequencing Taxpayer 1 to IRSN 1	Continue to paragraph (4) for moving EIP to “balance” the accounts
(3) Duplicate EIP refunds issued to same taxpayer (e.g., CN and invalid TIN)	Intentionally left blank	Continue to paragraph (4) for moving EIP to “balance” the accounts

- (3) If a manual adjustment to EIP is **not** required as part of account resolution, continue to the case specific IRM and follow normal procedures.
- (4) When referred to this paragraph for moving EIP on SCRM/SSA2 cases in scenarios 2 or 3 above, take the following actions:

Reminder: Adjustments to EIP1 and EIP2 must be input separately and use a post delay code (PDC) to prevent unpostable transactions.

1. If EIP was issued to TP 2 on TP 1's module(s), follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the EIP from the IRSN to the valid TIN's module(s). Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator
2. Input TC 470 CC 90 on the valid TIN module(s).
3. Adjust the “to” account module(s) to reflect the amount of EIP issued using the same CRN(s) shown on CC IMFOLA “from” account 2020, RC 214-219 in the third position as appropriate, and HC 4.
4. Fully back out the EIP on the “from” account module(s) using the same CRN(s) as shown on CC IMFOLA, RC 214-219 in the third position as appropriate, HC 4.
5. Input a TC 971 AC 195 on TP B's entity using the *from* account TC 971 AC 199 entity information for the transaction date and MISC field inputs.
6. Continue SCRM/SSA2 case resolution following normal procedures.

21.6.2.4.8
(02-04-2022)

Advance Child Tax Credit (AdvCTC)

- (1) The American Rescue Plan Act (ARPA) of 2021 was enacted on March 11, 2021. Section 9611 of ARPA increases the Child Tax Credit (CTC) for tax year (TY) 2021 and authorizes qualified individuals to receive periodic advance payments (in equal amounts) of up to 50 percent of the estimated Child Tax Credit (CTC).
- (2) Advance Child Tax Credit (AdvCTC) is an advance payment of the Child Tax Credit (CTC) for tax year 2021. Eligibility for the payment is based on the CTC shown on the TY 2020 return (2019 if a 2020 return has not posted). Advance payments are not subject to reduction or offset. Individuals who had not filed a 2020 or 2019 return, and did not have a filing requirement, used the “Non-Filer Sign Up Tool” on IRS.gov to file a 2020 tax return.

- (3) Advance payments were made monthly from July 2021 through December 2021 to eligible taxpayers. See IRM 21.6.3.4.1.24.2, Advance CTC, for more information.
- (4) *All* cases resolved using IRM 21.6.2.4, TIN-Related Problems Procedures, *must* be researched to determine if AdvCTC payments were issued. If AdvCTC was issued, it is necessary to identify who received the payment (e.g., Mixed Entity).

Caution: *Do not* assume AdvCTC is not impacted when resolving an account issue.

21.6.2.4.8.1
(02-04-2022)
**AdvCTC - Account
Information and
Research**

- (1) AdvCTC payments may be identified by:
 - An *account transaction* on the TY 2021 module as a TC 290 .00 with Transaction Code (TC) 766 with Credit Reference Number (CRN) 272, Reason Codes (RC) attributable to the AdvCTC; **and**,
 - An *entity transaction* on CC IMFOLE as a TC 971 AC 199 or 195 which identifies the amount of each AdvCTC payment (including zero amounts), the month and tax year of the payment, number of qualifying children (QC), and AdvCTC source (tax year of return).
- (2) The account transaction for each AdvCTC payment's DLN contains a unique sequence number to identify the month for which the payment was issued. Reason Codes (RC) and positions identify the following:
 - RC position 1 - the number of qualifying children
 - RC position 2 - the month of the advance payment (007 = July, 008 = August, etc)
 - RC position 3 - see table below

RC	Meaning
200	No AdvCTC due to MAGI phase-out
202	Invalid primary or secondary SSN (includes invalid due to assignment date and SSN not valid for work)
205	Catch-all (all CTC children deceased, advance payment under \$1, etc.)
206	AdvCTC reduced due to MAGI phase-out
207 (4th position)	Taxpayer is deceased
209	AdvCTC not reduced by MAGI

Each payment's Document Locator Number (DLN) contains a unique serial number to identify the month for which the payment was issued.

DLN Serial Numbers:

- a. 31 = July
- b. 32 = August
- c. 33 = September
- d. 34 = October

- e. 35 = November
f. 36 = December

- (3) The entity of the taxpayer, and spouse if applicable, contains a TC 971 AC 199 (systemic) or TC 971 AC 195 (manual). The miscellaneous field is displayed in a specific format on CC IMFOLE dependent upon whether a systemic or a manual account adjustment was input. Refer to the table below to assist in identifying the field descriptions.

TC 971 AC 199/195 MISC Field	Field Description
(1) "NNNNNNN kktyCTCYmm"	Systemically generated when AdvCTC was computed and issued (TC 971 AC 199 only) <ul style="list-style-type: none"> NNNNNNN - dollar amount including cents kk - number of qualifying children ty - specifies tax year of payment (00 or 21=2021) CTC - computed for AdvCTC YY - tax year used for computation (19=2019, 20=2020) mm - indicates month of the payment (07=July, 08=August, etc.)
(2) "NNNNNNN kktyREVCTmm"	Systemically generated when AdvCTC was reversed systemically (e.g., returned payment) (TC 971 AC 199 only) <ul style="list-style-type: none"> NNNNNNN - dollar amount including cents kk - number of qualifying children ty - specifies tax year of payment (00 or 21=2021) REVCT - systemic reversal YY - tax year used for computation (19 = 2019, 20=2020) mm - indicates month of the payment (07=July, 08=August, etc.)
(3) "NNNNNNN kktyxxCTCADJ" Note: May be either TC 971 AC 199 or TC 971 AC 195	Systemically generated when manual adjustment for AdvCTC was input and refund has or will be issued. (TC 971 AC 199). OR Manually input when moving AdvCTC from one account to another (e.g., MXEN, NMRG) (TC 971 AC 195) <ul style="list-style-type: none"> NNNNNNN - dollar amount including cents kk - number of qualifying children ty - specifies tax year of payment (00 or 21=2021) xx- indicates month of the payment (07=July, 08=August, etc.) CTCADJ - indicates positive manual account adjustment

TC 971 AC 199/195 MISC Field	Field Description
(4) "NNNNNNN kktyxxREVCTC"	Systemically generated when AdvCTC was reversed by manual adjustment (TC 971 AC 199 only) <ul style="list-style-type: none"> NNNNNNN - dollar amount including cents kk - number of qualifying children ty - specifies tax year of payment (00 or 21=2021) xx- indicates month of the payment (07=July, 08=August, etc.) REVCTC - indicates negative manual account adjustment

Note: For more information on eligibility field descriptions refer to Exhibit 21.6.3-3, TC 971 AC 199 MISC Field Descriptions for Advance Child Tax Credit Payments.

- (4) An AdvCTC TC 971 AC XXX (other than 199) was placed as an entity transaction on CC IMFOLE of taxpayers to indicate specific account conditions. Refer to the table below for a list of the action codes and their descriptions:

Action Code	Description
065	Innocent Spouse (Form 8857)
198	Victim of Domestic Violence (VODV)
856	Unenrolled taxpayer (includes MISC "OPT-OUT")

- (5) Taxpayer A is the *valid* taxpayer who correctly used the Taxpayer Identification Number (TIN) and is to remain on the *valid* Common Number (CN). Taxpayer B is the *invalid* taxpayer who incorrectly used the TIN and must be reprocessed to the valid TIN, if located; or to an *invalid* Internal Revenue Service Number (IRSN).
- (6) If AdvCTC *was not* issued for any month, continue to the case specific IRM and follow normal procedures.
- (7) If AdvCTC *was* issued for any month, use the table below to determine who received **each** payment when the case involves a TIN-related problem as they must be considered and addressed separately.

If	And	Then
(1) MXEN determination,	TP A posted first,	<ul style="list-style-type: none"> The valid taxpayer received the AdvCTC payments. Continue to case specific IRM and follow normal procedures.

If	And	Then
(2) MXEN determination,	TP B posted first and AdvCTC payments were issued by direct deposit,	<ul style="list-style-type: none"> The valid taxpayer did not receive their AdvCTC payment. Continue to paragraph (8) as adjustment to AdvCTC is needed.
(3) MXEN determination,	TP B posted first and AdvCTC payment were issued by paper check,	<ul style="list-style-type: none"> Review the address, including the cycle date of the last change, to determine who the check was mailed to. Continue to paragraph (8) as an adjustment to AdvCTC may be needed.

Note: All returned/rejected AdvCTC payments are systemically reversed.

Reminder: Addresses on taxpayers' accounts may have been updated multiple times. In an effort to ensure determinations of receipt are correct, it is suggested CC FINDS is used to compare address updates with the cycle date of the TC 846 for the payment in question. This CC provides a long-term history of the taxpayer's address and cycle dates for each change.

- (8) The filing status from the return used to compute each AdvCTC plays an important role in your research and how adjustments are input. Married Filing Joint (MFJ) accounts reflect the transactions on both the primary and secondary TY 2021 and entity modules. The adjustment on the primary module includes the significant amounts, and the adjustment on the secondary module posts with .00 amounts.

For Joint tax returns, you must:

- Determine where the AdvCTC payment(s) are located (primary or secondary TIN).
- Determine if the original entity transaction(s) was applied to only one spouse or was split between spouses.
- Determine if one or both spouses' entity transaction should be updated.

Note: Entity transactions TC 971 AC 199 are systemically updated from tax account adjustments on the 2021 module and **cannot** be manually updated. When an entity transaction requires manual update, a TC 971 AC 195 must be used.

21.6.2.4.8.2
(10-24-2022)

**AdvCTC - Manual
Adjustments - General
Information**

- (1) Manual adjustments to AdvCTC when resolving TIN-related problems allows for a "balancing" of the accounts. This includes "moving" the AdvCTC refund from one account/module to another using a credit transfer, account adjustments and entity transactions for AdvCTC as part of the account resolution on TIN-related problems.

- (2) AdvCTC are adjusted on the TY 2021 module using Credit Reference Number (CRN) 272 with unique Reason Codes (RCs). The same three RCs are used for **both** the negative and positive AdvCTC account adjustments. Refer to the table below for the required adjustment RCs.

RC Position	RC and Description
1	000 - use for all manual AdvCTC adjustments
2	<ul style="list-style-type: none"> • 007 - July • 008 - August • 009 - September • 010 - October • 011 - November • 012 - December Use appropriate month for each manual AdvCTC adjustment
3	<ul style="list-style-type: none"> • 214 - AdvCTC split equally 50/50 between the primary and secondary taxpayer • 215 - AdvCTC attributable to only the primary taxpayer • 216 - AdvCTC attribute to only the secondary taxpayer Use appropriate RC for each manual AdvCTC adjustment Reminder: When a secondary TIN is present, you must include that TIN in the "XREF-TIN" field to ensure the adjustment updates the secondary entity transaction amount.
4	Not used for manual AdvCTC adjustments

- (3) There are two (2) data fields required when making **any** manual adjustments for AdvCTC payments using CC ADJ54. Refer to the table below for both required fields.

ADJ54 Field	Field Description
DATA-REF-1>	Valid Entry is 272 only as must match AdvCTC payment CRN
REF-CHG-1>	Valid entry is 01 - 15 to identify number of QC for that specific month Reminder: The number of QC can change each month. The input must match the original number of QC located in the TC 971 AC 199 entity transaction. See IRM 21.6.2.4.8.1 (3), AdvCTC - Account Information and Research.

Note: If the required data fields are not available in an IAT tool, you must add them manually to the CC ADJ54 screen before transmitting.

- (4) When decreasing the AdvCTC, the TC 971 AC 199 entity transaction “NNNNNNN kkyxxREVCTC” is systemically generated. When making a positive adjustment to AdvCTC with HC 4, manual input of TC 971 AC 195 entity transaction “NNNNNNNkkyxxCTCAD” is required. See IRM 21.6.2.4.8.1 (3), AdvCTC - Account Information and Research.
- (5) For Mixed Entity (MXEN) cases, follow IRM 21.6.2.4.8.2.1, Mixed Entity - AdvCTC Adjustments.
- (6) For No Merge (NMRG) cases, follow IRM 21.6.2.4.8.2.2, No Merge - AdvCTC Adjustments.
- (7) For Scrambled SSN (SCRM/SSA2), follow IRM 21.6.2.4.8.2.3, Scrambled SSN/SSA2 - AdvCTC Adjustments.

21.6.2.4.8.2.1
(02-04-2022)

**Mixed Entity - AdvCTC
Adjustments**

- (1) The instructions in this section should be used in conjunction with the instructions in IRM 21.6.2.4.2, Mixed Entity Procedures, for account resolution.

Reminder: Entity information on all TINs should be resolved prior to taking steps shown below (e.g., name, address).

- (2) For mixed entity (MXEN) cases, follow the procedures outlined in the table below:

Scenarios	And	Module Actions
Scenario 1 MXEN - TP B posted first	No AdvCTC payments have been issued	Continue MXEN case resolution following IRM 21.6.2.4.2, Mixed Entity Procedures.
Scenario 2 MXEN - TP B posted first	AdvCTC payments were issued to TP B	Continue to paragraph (3)
Scenario 3 MXEN - TP B posted first	AdvCTC payments were issued to TP A	Continue MXEN case resolution following IRM 21.6.2.4.2, Mixed Entity Procedures.
Scenario 4 MXEN - TP B posted first	<ul style="list-style-type: none"> • AdvCTC payments were issued to TP B AND • TP B received <i>duplicate</i> AdvCTC payments from their correct TIN 	Continue to paragraph (3)

- (3) When referred to this paragraph because AdvCTC payments were issued in scenarios 2 and 4 above, take the following actions:

1. If AdvCTC payments were issued to TP B on TP A's TY 2021 module, follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the AdvCTC payments from the IRSN TY 2021 module to the valid TIN's TY 2021 module. Include a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.
2. Input TC 470 CC 90 on the valid TIN's 2021 module.
3. Fully back out on the "from" account TY 2021 module **each** AdvCTC payments being moved with HC 4 and applicable RC's following IRM 21.6.2.4.8.2 (2), AdvCTC - Manual Adjustments - General Information.
4. Input a positive adjustment on the "to" account TY 2021 module to reflect **each** of the AdvCTC payments issued on the "from" account with HC 4, applicable RCs, and required data fields following IRM 21.6.2.4.8.2, AdvCTC - Manual Adjustments - General Information.

Caution: Do not input an adjustment to issue **any** AdvCTC payments.

5. Input TC 971 AC 195 on CC ENMOD for **each** AdvCTC payment being moved from one TIN to another. See IRM 21.6.2.4.8.1 (3), AdvCTC - Account Information and Research, scenario (3).

Example: A systemically posted TC 971 AC 199 MISC "0037500 0150CTC1907" is manually input as TC 971 AC 195 MISC "0037500 012107CTCADJ".

6. Continue MXEN case resolution following normal procedures.

21.6.2.4.8.2.2
(02-04-2022)

**No Merge - AdvCTC
Adjustments**

- (1) The instructions in this section should be used in conjunction with the instructions in IRM 21.6.2.4.4, NMRG Procedures, for account resolution.

Reminder: Entity information on all TINs should be resolved prior to taking steps shown below (e.g., name, address).

Reminder: There is no requirement for the valid TIN to contain the most modules/ information.

- (2) For no merge (NMRG) cases, follow the procedures outlined in the table below:

Scenario	And	Then
(1) <ul style="list-style-type: none"> One taxpayer involved AND <ul style="list-style-type: none"> No AdvCTC payments were issued 	Intentionally left blank	Follow IRM 21.6.2.4.4, NMRG Procedures.

Scenario	And	Then
(2) • One taxpayer involved AND • AdvCTC payments were issued on valid TIN	• Resequencing action required AND • ALL years meet “no move” criteria (e.g., ASED expired)	Follow IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information
(3) • One taxpayer involved AND • AdvCTC payments were issued on valid TIN	• Resequencing action required AND • Some years meet “no move” criteria (e.g., ASED expired)	Continue to paragraph (3)
(4) • One taxpayer involved AND • AdvCTC payments were issued on valid TIN	• Resequencing action required AND • ALL years meet “move-” criteria (e.g., balance due, -C freeze)	Continue to paragraph (4)
(5) • Two taxpayers involved AND • AdvCTC payments were issued	Resequencing action required	Follow IRM 21.6.2.4.4.3, NMRG-DUP Two Taxpayers Involved
(6) • Two taxpayers involved AND • AdvCTC payments were issued	Determined mixed entity	Follow IRM 21.6.2.4.8.2.1, Mixed Entity - AdvCTC Adjustments, and IRM 21.6.2.4.2, Mixed Entity Procedures

- (3) When referred to this paragraph because AdvCTC and resequencing action on a NMRG case is required in scenario 3 above, take the following actions:
1. Resequence invalid TIN to IRSN.
 2. Reprocess any returns that meet “move” criteria from the invalid TIN or IRSN, to the valid TIN per IRM 21.6.2.4.6.2, Moving Specific Year Account Information.
 3. If AdvCTC payments were issued, follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the AdvCTC payments from the *invalid* TIN to the *valid* TIN TY 2021 module. Include a TC 570 on the

credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.

4. Input TC 470 CC 90 on the valid TIN's 2021 module.
5. Fully back out all tax years on the IRSN sent for reprocessing to the valid TIN.

Exception: On TY 2021 modules do not include any AdvCTC payments in the back out adjustment as they must be adjusted separately.

6. Back out on the "from" account TY 2021 module **each** AdvCTC payments being moved using HC 4 and applicable RC's following IRM 21.6.2.4.8.2 (2), AdvCTC - Manual Adjustments - General Information.
7. Input a positive adjustment on the "to" account TY 2021 module to reflect **each** of the AdvCTC payments issued on the "from" account with HC 4, applicable RC's, and required data fields following IRM 21.6.2.4.8.2, AdvCTC - Manual Adjustments - General Information.

Caution: Do not input an adjustment to issue **any** AdvCTC payments.

8. Input TC 971 AC 195 on CC ENMOD for **each** AdvCTC payment being moved from one TIN to another. See IRM 21.6.2.4.8.1 (3), AdvCTC - Account Information and Research, scenario (3).

Example: A systemically posted TC 971 AC 199 MISC:"0037500 0150CTC1907" is manually input as TC 971 AC 195 MISC:"0037500 012107CTCADJ".

9. Follow IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information, for remaining TY's on the IRSN.
10. Continue NMRG case resolution following normal procedures.

(4) When referred to this paragraph because AdvCTC and resequencing action on NMRG case is required in scenario 4 above, take the following actions:

1. Resequence valid TIN to IRSN.
2. Resequence invalid TIN to valid TIN.
3. Reprocess any returns with 180 or more days remaining before the ASER expires from the IRSN to the valid TIN per IRM 21.6.2.4.6.2, Moving Specific Year Account Information.
4. If AdvCTC payments were issued, follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the AdvCTC payments from the *invalid* TIN to the *valid* TIN TY 2021 module. Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator
5. Input TC 470 CC 90 on the valid TIN's 2021 module.
6. Fully back out all tax years on the IRSN sent for reprocessing to the valid TIN.

Exception: On TY 2021 modules do not include any AdvCTC payments in the back out adjustment as they must be adjusted separately.

7. Back out on the "from" account TY 2021 module **each** AdvCTC payments being moved using HC 4 and applicable RCs following IRM 21.6.2.4.8.2 (2), AdvCTC - Manual Adjustments - General Information.

8. Input a positive adjustment on the “to” account TY 2021 module to reflect **each** of the AdvCTC payments issued on the “from” account with HC 4, applicable RC’s, and required data fields following IRM 21.6.2.4.8.2, AdvCTC - Manual Adjustments - General Information.

Caution: Do not input an adjustment to issue **any** AdvCTC payments.

9. Input TC 971 AC 195 on CC ENMOD for **each** AdvCTC payment being moved from one TIN to another. See IRM 21.6.2.4.8.1 (3), AdvCTC - Account Information and Research, scenario (3).

Example: A systemically posted TC 971 AC 199 MISC:“0037500 0150CTC1907” is manually input as TC 971 AC 195 MISC: “0037500 012107CTCADJ”.

10. Follow IRM 21.6.2.4.6.1, Not Moving Specific Year Account Information, for remaining tax years on IRSN.
11. Continue NMRG case resolution following normal procedures.

21.6.2.4.8.2.3
(02-04-2022)

Scrambled SSN/SSA2 - AdvCTC Adjustments

- (1) The instructions in this section should be used in conjunction with the instructions in IRM 21.6.2.4.3, Scrambled SSN Case Procedures, for account resolution.

Reminder: Entity information on all TINs should be resolved prior to taking steps shown below (e.g., name, address).

- (2) For scrambled SSN (SCRM/SSA2) cases, follow the procedures outlined in the table below:

Scenario	And	Then
(1) Taxpayer 1 received AdvCTC payments	Resequencing Taxpayer 1 to IRSN 1	Follow IRM 21.6.2.4.3, Scrambled SSN Case Procedures
(2) Taxpayer 2 received AdvCTC payments	Resequencing Taxpayer 1 to IRSN 1	Continue to paragraph (4) for moving AdvCTC payments to “balance” the accounts
(3) Duplicate AdvCTC payments issued to same taxpayer (e.g., CN and invalid TIN)	Intentionally left blank	Continue to paragraph (4) for moving AdvCTC payments to “balance” the accounts

- (3) If a manual adjustment to AdvCTC is **not** required as part of account resolution, continue to the case specific IRM and follow normal procedures.
- (4) When referred to this paragraph for moving AdvCTC payments on SCRM/SSA2 cases in scenarios 2 or 3 above, take the following actions:
 1. If AdvCTC payments were issued to TP 2 on TP 1’s 2021 module, follow procedures in IRM 21.5.2.4.23.10, Moving Refunds, to move the AdvCTC payments from the IRSN 2021 module to the valid TIN’s 2021 module.

- Input a TC 570 on the credit side (TC 848) when inputting the credit transfer. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.
2. Input TC 470 CC 90 on the valid TIN's 2021 module.
 3. Fully back out on the "from" account 2021 module **each** AdvCTC payments being moved with HC 4 and applicable RCs following IRM 21.6.2.4.8.2, AdvCTC - Manual Adjustments - General Information.
 4. Input a positive adjustment on the "to" account TY 2021 module to reflect **each** of the AdvCTC payments issued on the "from" account with HC 4, applicable RC's, and required data fields following IRM 21.6.2.4.8.2, AdvCTC - Manual Adjustments - General Information.

Caution: Do not input an adjustment to issue **any** AdvCTC payments.

5. Input TC 971 AC 195 on CC ENMOD for **each** AdvCTC payment being moved from one TIN to another. See IRM 21.6.2.4.8.1 (3), AdvCTC - Account Information and Research, scenario (3).

Example: A systemically posted TC 971 AC 199 MISC:"0037500 0150CTC1907" is manually input as TC 971 AC 195 MISC: "0037500 012107CTCADJ".

6. Continue SCRM/SSA2 case resolution following normal procedures.

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Exhibit 21.6.2-1 (02-02-2009)
Scrambled SSN Indicators

The following two digit scrambled indicators pertain to scrambled SSN cases. Some of the indicators are no longer input on newly processed cases. These obsolete indicators are duly noted, and are included in the list for the purpose of identifying actions taken on residual cases.

Indicator	Used when
01	Completed Letter 239C questionnaire received from at least one taxpayer. Form 3857 sent to SSA. Note: This indicator is no longer input on newly processed cases.
09	Scrambled indicator needs to be turned off.
10	Account is being scrambled. Form 3857 is not sent to SSA.
12	True/Default True Scrambled SSN case. Form 3857 sent to SSA.
13	SSN not valid for federal tax purposes.
20	Case closed, no Letter 239C questionnaire received or SSA response is insufficient to resolve scrambled SSN condition. Note: This indicator is applicable only for cases worked per prior versions of this IRM.
21	Case closed, scrambled SSN condition resolved with SSA Form 3857 response or an SSA SSN verification printout. Note: The SSA SSN verification printout is no longer sufficient proof of ownership of the SSN. SCI 21 is applicable for cases worked per prior versions of this IRM.
22	Case closed, scrambled SSN condition resolved with SSA Form 3857 response. Information indicates case was a True (non-default) scrambled SSN.
23	Case closed with SSA Form 3857 response which indicates SSN is not valid for federal tax purposes. Note: This indicator is applicable only for cases worked per prior versions of this IRM.
24	Reserved

Exhibit 21.6.2-2 (10-01-2018)**Definitions**

The following terms and definitions are used when working a TIN-related problem account.

Term	Definition
Common Number	The taxpayer identification number (TIN) being used by two or more taxpayers.
DM-1 File	A database of name controls and associated TINs. See IRM 3.13.5.14, Data Master One (DM-1) File.
“From” Account	The account which needs to be moved to the new TIN or the valid segment.
Generated Transaction	Often called Computer Generated. Refers to an action created by the computer after input of data on an account.
Merge	Two compatible accounts are combined into one on the Master File.
Primary Taxpayer	The IMF taxpayer listed on the first name line of a joint return.
Resequencing	The moving of data from one account to another account on the Master File.
Secondary Taxpayer	The IMF taxpayer listed on the second name line of a joint return.
Tax Module	Part of a taxpayer’s account which reflects tax data for one type of tax and one tax period.
“To” Account	The new TIN or valid segment.
Valid	When the taxpayer’s SSN and the name control match the DM-1 file.
Validation Digit	Indicates whether a TIN is valid or invalid. 0 - Valid TIN 1 - Invalid TIN