EFFECTIVE DATE

(10-01-2023)

PURPOSE

(1)   This transmits revised IRM 21.7.9, Business Tax Returns and Non-Master File Accounts, BMF Duplicate Filing Conditions.

MATERIAL CHANGES

(1)   This IRM was revised to reflect the following changes:

IRM Subsection	Description
IRM 21.7.9.3	Added a note to paragraph (3) to advise it is not required to request the duplicate return for an account in status 26 prior to referring to a Revenue Officer. This change was submitted with Feedback # 6263. IPU 22U1235 issued 12-20-2022.
IRM 21.7.9.3.1	Added clarification to the If/Then chart in paragraph (3) if an original return is received with or without correspondence. This change was submitted with Feedback #7833. IPU 23U0325 issued 02-28-2023.
IRM 21.7.9.4.1	Added guidance for handling address changes reported on amended employment tax returns with cross reference information. This change was submitted with Feedback # 11121. IPU 23U0694 issued 06-02-2023.
IRM 21.7.9.4.1.1.2	Added paragraph (3) to include a link to IRM 20.2.4.5.1, Updating the RPD on Unprocessible Returns. Update based on SERP Feedback 5045. IPU 23U0325 issued 02-28-2023.
IRM 21.7.9.4.1.2	Added content to the If/Then chart in paragraph (1) for clarification if the return is G coded or there are open TDIs. This change was submitted with Feedback 5219 and 5374. IPU 22U0906 issued 08-24-2022.
IRM 21.7.9.4.1.2	Added a note to the If/Then chart in paragraph (1) for clarification on timeframes when requesting a return from Files. This change was submitted with Feedback # 6744. Added if a payment is received with duplicate return to the If/Then chart in paragraph (1) for clarification. This change was submitted with Feedback #7200. IPU 22U1235 issued 12-20-2022.

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IRM Subsection	Description
IRM 21.7.9.4.1.2	Revised to provide temporary guidance when requesting documents from Files. Added instruction for new suspense categories for duplicate document requests from Files. IPU 23U0398 issued 03-15-2023.
IRM 21.7.9.4.1.2.2	Added content regarding digitally scanned paper returns. IPU 23U0398 issued 03-15-2023.
IRM 21.7.9.4.1.4	Moved content from paragraph (3)(f) if Form 94X is filed instead of the applicable 94X-X to paragraph (3)(b) for clarity. This change was submitted with Feedback # 6176. IPU 22U1235 issued 12-20-2022.
IRM 21.7.9.4.10.5	Revised to provide temporary guidance when requesting documents from Files. Added instruction for new suspense categories for duplicate document requests from Files. This change was submitted with Feedback # 9845. IPU 23U0561 issued 04-28-2023.
Editorial-type changes	Editorial changes have been made throughout the IRM for clarity.

EFFECT ON OTHER DOCUMENTS

IRM 21.7.9, dated August 2, 2022 (effective October 1, 2022), is superseded. The following IRM Procedural Updates (IPU), have been incorporated into this IRM: IPU 22U0906 issued 08-24-2022, IPU 22U1235 issued 12/20/2022, IPU 23U0325 issued 02-28-2023, IPU 23U0398 issued 03-15-2023, IPU 23U0561 issued 04-28-2023, and IPU 23U0694 issued 06-02-2023.

AUDIENCE

This IRM is intended for Customer Account Services employees working Business Master File Duplicate Filing Conditions.

Joseph Dianto
Director, Accounts Management
Wage and Investment Division

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21.7.9
BMF Duplicate Filing Conditions

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21.7.9.1
(08-23-2021)
Business Master File (BMF) Duplicate Filing Conditions Program Scope and Objectives

(1) This section contains information on Business Master File (BMF) accounts involving duplicate filing conditions.

(2) **Purpose:** The procedures in this IRM are a translation of a variety of legal and administrative authorities into practical guidance for the Customer Service Representatives and Tax Examining Assistants who are assigned BMF duplicate filing condition inventory.

(3) **Audience:** The primary users of this IRM are Customer Service Representatives (CSR) and Tax Examining Assistants who are assigned BMF duplicate filing condition inventory.

(4) **Policy Owner:** The policy owner is the Director, Accounts Management, Wage and Investment Division.

(5) **Program Owner:** The program owner is Wage and Investment, Accounts Management, Policy and Procedures BMF (PPB).

(6) **Primary Stakeholders:** The primary stakeholders are Wage and Investment (W&I), Small Business/Self Employed (SBSE), and Large Business and International (LB&I).

(7) **Program Goals:** The BMF sites strive to maintain integrity, quality, and excellence in the service provided taxpayers by making every effort to achieve a high customer accuracy and efficiency rate. The duplicate filing condition program goals are included with other BMF tax type inventory production goals published in the annual Accounts Management Program Letter.

21.7.9.1.1
(08-23-2021)
Background

(1) Accounts Management (AM) employees respond to taxpayer inquires (phone and paper) as well as claims, certain applications, internal requests, and transcripts.

(2) IRM 21.7.9 provides guidance to AM employees assigned duplicate filing condition inventory. The inventory includes all BMF tax types (i.e., Form 94X series, Form 1120 series, Form 1065, Form 1041, etc.).

21.7.9.1.2
(08-23-2021)
Authority

(1) In addition to all official guidance on general tax matters, the administration of tax accounts discussed in this IRM is based primarily on tax law provisions found under U.S. Code, Title 26, Internal Revenue Code, Subtitle F, Procedures and Administration, and related regulations, treasury decisions, revenue procedures, revenue rulings, notices, tax forms and instructions, and publications.

(2) IRM 1.2.1.13, Servicewide Policies and Authorities, Policy Statements for Customer Account Services Activities, contains the Policy Statements which relate to Customer Account Services activities. The following are used by this program:

- Policy Statement 21-1 (Formerly P-6-1) - Service commitment to Taxpayer Service Program
- Policy Statement 21-2 (Formerly P-6-10) - The public impact of clarity, consistency, and impartiality in dealing with tax problems must be given high priority
- Policy Statement 21-3 (Formerly P-6-12) - Timeliness and Quality of Taxpayer Correspondence
- Policy Statement 21-4 (Formerly P-6-13) - One-stop service defined

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- Policy Statement 21-5 (Formerly P-6-40) - Assistance furnished to taxpayers in the correction of accounts

21.7.9.1.3
(08-23-2021)
Roles and Responsibilities

(1) The Director of Accounts Management has oversight responsibility for this IRM.

(2) Accounts Management Policy and Procedures BMF (PPB) has responsibility for this IRM content which issues guidance to employees who assist taxpayers with resolving account issues and processing amended returns. These procedures include Internal Data Retrieval System (IDRS) input instructions. This IRM is published on an annual basis.

(3) Site management officials provide daily program support through quality review, training, timely communication of procedural changes within the program, and elevation of guidance gaps.

(4) Employees working the program are responsible for following IRM guidance, completing assigned training, reviewing updates during read time, and reporting guidance gaps to management.

21.7.9.1.4
(08-23-2021)
Program Management and Review

(1) Program management and review is essential for achieving the program goals identified in the Accounts Management Program Letter. The program effectiveness is determined by employees successfully using IRM guidance to perform necessary account actions and duties. The duplicate filing condition inventory is combined with other BMF inventory streams and randomly selected for review. Centralized Evaluative Review (CER) and site managers set the review allocation, so the employee receives a balance of phone and paper reviews relative to an employee's work assignments.

(2) The program monitoring and work reviews are performed for the following reasons:

- To make an objective assessment of an employee's performance on an ongoing basis and to ensure that adequate information is available for mid-year and annual appraisals
- To protect the rights of customers
- To identify error trends and training needs

(3) Centralized Evaluative Review (CER) conduct quality telephone reviews through Verint and correspondence reviews through the Correspondence Imaging Inventory (CII).

(4) Site managers conduct the following types of reviews:

- Inventory Management using the CCA 4243, IDRS Automated Age Listing (AAL) and CCA 4244, IDRS Multiple Case Control Listing. Aged listings are available on the Control-D/Web Access server, which has a login program control.
- IDRS Security Reviews
- Performance reviews on effective case and call resolution according to IRM guidelines.
- Side-by-side non-evaluative reviews for skill development.
- Reviews of closed cases for both accuracy and productivity to determine if work is being closed in an efficient and effective manner.
- Workload reviews to assess whether the amount of time being spent is commensurate with the complexity and type of work.

- Reviews of cases currently in process to ensure that inventory is being closed according to received date and that cases are not unnecessarily suspended.

21.7.9.1.5
(08-23-2021)
Program Controls

(1) The duplicate filing condition inventory is combined with other BMF inventory streams and subject to Accounts Management enterprise controls. This program is included with all BMF management reviews and operational reviews.

(2) Accounts Management uses the Embedded Quality Review Program to review closed case work. The Quality Review process provides a method to monitor, measure, and improve the quality of work. Quality Review data is used to provide quality statistics for the IRS's Business Results portion of the Balanced Measures, and/or to identify trends, problem areas, training needs, and opportunities for improvement.

(3) Centralized Quality Review System (CQRS) is operated by the Joint Operations Center (JOC) to provide independent quality review services for product lines.

(4) Local reviews are performed to focus attention on areas that require improvement. The local quality reviews are performed by staffs reporting to the Quality Assurance Manager, Corrective and Preventative Action System Manager (CPAS), or other units that have quality assurance duties. Local quality reviews are also used for employee development and on-the-job instruction.

(5) Quality Review data is used by management to provide a basis for measuring and improving program effectiveness by identifying:

- Defect(s) resulting from site or systemic action(s) or inaction(s),
- Driver(s) of customer accuracy,
- Reason(s) for defect occurrence,
- Defect trends,
- Recommendation(s) for corrective action, and
- Training needs.

21.7.9.1.6
(08-23-2021)
Terms/Definitions/
Acronyms

(1) The ReferenceNet Legal and Tax Research Service page provides an *Acronym Database* to research acronyms found within this IRM.

(2) All but the most common acronyms found in this IRM are spelled out when they are used for the first time in a subsection. The following table provides some common acronyms:

Acronym	Description
BMF	Business Master File
BS	Blocking Series
CAWR	Combined Annual Wage Reporting
CCC	Computer Condition Code
CII	Correspondence Imaging Inventory
CRN	Credit Reference Number

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Acronym	Description
CSR	Customer Service Representative
DLN	Document Locator Number
DUPF	Duplicate Filing Condition
EUP	Employee User Portal
FTD	Federal Tax Deposit
HC	Hold Code
IAT	Integrated Automation Technologies
IDRS	Integrated Data Retrieval System
IRN	Item Reference Number
MeF	Modernized E-File
ROFTL	Record of Federal Tax Liability
TAS	Taxpayer Advocate Services
TC	Transaction Code
TRNS	Transcript

21.7.9.1.7
(08-23-2021)
Related Resources

(1) The following lists the primary IRM sources for working BMF duplicate filing conditions.

- IRM 21.2.2-2, Accounts Management Mandated IAT Tools
- IRM 4.25.2, Campus Estate and Gift
- IRM 21.7.1, BMF/NMF Miscellaneous Information
- IRM 21.7.2, Employment and Railroad Tax Returns
- IRM 21.7.3, Unemployment Taxes
- IRM 21.7.4, Income Taxes/Information Returns
- Accounts Management *Case Management Guidelines* Job Aid

21.7.9.2
(08-23-2021)
Business Master File (BMF) Duplicate Filing Conditions Overview

(1) A duplicate filing condition occurs when a return (Transaction Code (TC) 976) posts to a module already containing a return (TC 150). The Integrated Data Retrieval System (IDRS) generates a -A freeze which prevents any refund or offset from the module until an adjustment (TC 29X) is made. IDRS also generates a Transcript (TRNS) 193 or TRNS 293 (when there is an open (un-reversed) TC 420) which is associated with the TC 976 return and forwarded to Accounts Management, Excise, or Estate and Gift, based on the category code in (3) below.

(2) The TRNS 193 and TRNS 293 are generated at the site which processes the TC 976 return.

(3) All duplicate filing conditions are systemically controlled on IDRS as follows:

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Category Code	TRNS 193s generating on:
DUPE	Estate and Gift Tax Returns: Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, and Form 709, United States Gift (and Generation-Skipping Transfer) Tax Return
DUPF	BMF Returns (except Excise and Estate and Gift)
DUPX	Excise Tax Returns (Form 720, Quarterly Federal Excise Tax Return, Form 730, Monthly Tax Return for Wagers, Form 2290, Heavy Highway Vehicle Use Tax Return, etc.)
IDPF	BMF International Returns

(4) All duplicate filing conditions age in 45 days and are not considered correspondence. Do not update the CII received date unless correspondence is attached to the duplicate filing condition. If correspondence is attached to the duplicate return, the case must be re-controlled to the appropriate correspondence category code. (e.g., "TPRQ or PHZ1") The case then needs to be acknowledged per IRM 21.3.3.4.2, Policy Statement P-21-3 (formerly P-6-12) Procedures. In this instance, the received date of the case must be changed to the original received date on the return. If additional correspondence is received after the date of the duplicate return, do not change the received date. However, the Category Code must be changed to the appropriate correspondence category code.

Reminder: **Do not forget to resolve the -A freeze before closing the case. If the tax module is in collection status 26, do not release the -A freeze and review IRM 21.3.3.4.9.2, Campus Collection Function Correspondence/Inquiry/Notice, for referral guidance.**

(5) Taxpayers file Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund, Form 943-X, Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim for Refund, Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund, Form 945-X, Adjusted Annual Return of Withheld Federal Income Tax or Claim for Refund, or *Form CT-1X*, Adjusted Employer's Annual Railroad Retirement Tax Return or Claim for Refund, to correct information previously reported on Form 941, Employer's QUARTERLY Federal Tax Return, Form 943, Employer's ANNUAL Tax Return for Agricultural Employees, Form 944, Employer's ANNUAL Federal Tax Return, Form 945, Annual Return of Withheld Federal Income Tax, and *Form CT-1,* Employer's Annual Railroad Retirement Tax Return. See IRM 21.7.2.4.6.7, Exception Processing - Incorrect Filing, Including Forms Routed to AM from SP, for more information.

(6) When taxpayer contact meets the Taxpayer Advocate Service (TAS) criteria (see IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria) and we are unable to resolve the taxpayer's issue the same day, refer the taxpayer to TAS. The definition of "same day" is within 24 hours. "Same day" cases include cases you can completely resolve in 24 hours as well as cases in which you have taken steps within 24 hours to begin resolving the taxpayer's issue (see IRM 13.1.7.6, Same Day Resolution by Operations). Do not refer cases to TAS

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unless they meet TAS criteria, or the taxpayer asks to be transferred to TAS. The Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), is used to forward cases to TAS. If a taxpayer prefers to contact TAS directly, provide the TAS toll-free number 877-777-4778.

Note: All IRS employees must be familiar with TAS criteria and the Taxpayer Bill of Rights (TBOR). For more information about TBOR, refer to Pub 1, Your Rights as a Taxpayer, and the *TAS Taxpayer Bill of Rights* website. The 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 and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights.

(7) It is the responsibility of all IRS employees to protect taxpayer confidentiality and to understand when access to or disclosure of taxpayer information is authorized by law. This includes the protection of information displayed on computer screens. IRC 6103(a) establishes that tax returns and return information are confidential and can only be disclosed to the extent the disclosure is specifically authorized in IRC 6103. You must be sure that you provide authorized information to the correct taxpayer or authorized representative. IRM 21.1.3.2, General Disclosure Guidelines, provides detailed information.

21.7.9.3
(12-20-2022)
Duplicate Filing
Conditions Research

(1) When working duplicate filing cases, always refer to the information and procedures for the specific form involved (e.g., Form 941, 1120, 1065, etc.). Use this information for input of appropriate transaction codes (TC), credit reference numbers (CRN), item reference numbers (IRN), blocking series (BS), etc.

(2) Code & Edit (C&E) inputs Computer Condition Code "G" on returns marked "amended", "corrected", "supplemental", or "superseding" (amended returns filed on or before the return due date or extended due date). IDRS does not record any information on G coded returns, except the amount paid with the return.

Exception: Some returns bypass Submission Processing and are forwarded directly to the appropriate area for resolution. See IRM 21.7.9.3.1, Amended/Corrected/Adjusted Returns that By-Pass Submission Processing, for more information.

(3) All duplicate filing cases must be controlled on IDRS and not closed until action has been taken to resolve the -A or E- freeze, or the case has been referred to another appropriate area (e.g., Criminal Investigation).

Reminder: If the tax module is in collection status 26, do not release the -A freeze and review IRM 21.3.3.4.9.2, Campus Collection Function Correspondence/Inquiry/Notice, for referral guidance.

Note: If the TRNS 193 is received without the duplicate return it is not required to request the document prior to routing to the Revenue Officer (RO). The RO will secure the necessary documents to allow for processing.

(4) See IRM 21.3.3.4.9.2.1, Compliance Criteria for Amended Return/Claims and/or Balance Due Correspondence, for information on working amended returns on accounts in Collection Status 22, 24, 26, or involving other collec-

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tion criteria/status (status 72). Forward any correspondence received indicating taxpayer wishes to file a delinquent return to Collection after all other adjustment issues have been resolved.

(5) A Form 94X duplicate filing condition may be a response to a Combined Annual Wage Reporting (CAWR) assessment. See IRM 4.19.4.11.1, CSR - Researching IRS-CAWR/SSA-CAWR Issues, for information regarding the identification of CAWR assessments and guidance for responding to taxpayers disputing a CAWR assessment. CAWR assessments can be found on MFTs 01, 11, 14, and 16. A blocking series of 55 on the last available quarter with a TC 150 present indicates the CAWR function made an adjustment to the account.

(6) Statute must be considered before sending to Submission Processing for input. Original delinquent returns which are two years and nine months old or older (based on the return due date) must be cleared by the Statute function. See IRM 25.6.1.8, Original Delinquent Returns, for more Statute information.

(7) The following category codes are used with Duplicate Filing Conditions (TRNS 193, TRNS 293, and TRNS 190) and amended/corrected/adjusted returns that bypass processing:

Category Code	Description
941X	Form 941-X or Form 941-X (PR)
943X	Form 943-X or Form 943-X (PR)
944X	Form 944-X, Form 944-X (PR) or Form 944-X (SP)
945X	Form 945-X
BDUP	BMF Form 706, Form 709, and Form 94X series returns identified as amended, revised, or corrected that bypass processing
BMFO	BMF Form 1041, Form 1065, and Form 1120 series returns identified as amended, revised, or corrected that bypass processing
C190	TRNS 190 on all BMF returns where there is an amended return (TC 976) and no original return (TC 150)
CT1X	Form CT-1X
DAUD	TRNS 293 on all BMF Forms with TC 420 present
DUPE	TRNS 193 on Estate and Gift Tax Returns (Form 706 and Form 709 series) that are systemically processed
DUPF	TRNS 193 on all BMF returns (except Excise and E&G) that are systemically processed
DUPX	TRNS 193 on all Excise Tax Returns (Form 720, Form 730, Form 2290, etc.) that are systemically processed
IDPF	BMF international returns

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Category Code	Description
XRET	Form 1065X and Form 1120X that bypass processing and do not generate a TRNS 193

21.7.9.3.1
(02-28-2023)
Amended/Corrected/ Adjusted/Original Returns that Bypass Submission Processing

(1) Returns that bypass Submission Processing are **NOT** numbered and **DO NOT** create a TRNS 193 package. They are routed as follows:

Form	Routed to
Forms 94X-X, Employment tax returns (standalone forms)	Accounts Management. ***Note:*** See IRM 21.7.2.4.6, Adjusted Employer's Federal Tax Return or Claim for Refund, for processing procedures
Non-remit Forms 94X series returns marked **"amended"** or **"corrected"**	Accounts Management. ***Reminder:*** If taxpayer filed Form 94X instead of the applicable Form 94X-X, see IRM 21.7.2.4.6.7, Exception Processing - Incorrect Filing, Including Forms Routed to AM from SP, for processing procedures
Non-remit Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return	Estate and Gift Tax Operation Mail Stop 824G 7940 Kentucky Drive Florence, KY 41042
Form 1041, U.S. Income Tax Return for Estates and Trusts, Form 1120 U.S. Corporation Income Tax Return, series, Form 1065, U.S. Return of Partnership Income, marked **amended** or **corrected**	Accounts Management
Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, with the amended box checked or marked with the literal "amended, revised, or corrected"	Accounts Management

Form	Routed to
Form 1065-X, Amended Return or Administrative Adjustment Request (AAR)	Accounts Management
Form 1120-X, Amended U.S. Corporation Income Tax Return	Accounts Management

Reminder: If the amended or corrected return also indicates a final tax return, use Command Code (CC) FRM49 to delete filing requirements with TC 591 closing code 075.

(2)   The following actions are mandatory on returns that bypass processing:

a.   Open an IDRS control within 14 days of receipt. See IRM 21.7.9.3(7), Duplicate Filing Conditions Research, for the appropriate category code.

b.   If you determine the return is an amended/corrected/adjusted return, input a Transaction Code (TC) 971 Action Code (AC) 010 to set the -A freeze on tax module(s) with a **posted** TC 150. The transaction date for the TC 971 is the amended or corrected return received date.

Exception: If the case is scanned in the Correspondence Imaging Inventory (CII) as an XRET or 94XX, a manual TC 971 input is not necessary. The system will generate a TC 971 AC 010, which creates a -A freeze on the tax module.

Exception: Do not input a TC 971 AC 010 on a Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, (MFT 07) short period tax return.

Caution: Do not input TC 971 AC 010 on true duplicate returns or copies of returns determined to be classified waste that do not require a change. See IRM 21.5.1.4.10, Classified Waste, for more information.

c.   An amended/corrected/adjusted return requires an adjustment to release the -A freeze (which will be set when the TC 971 AC 010 posts). Input a TC 29X adjustment with the appropriate Credit Reference Numbers (CRNs), Item Reference Numbers (IRNs), and Hold Code (See IRM 21.5.2.4.15, Rules on Hold Codes (HC), for more HC details). If the TC 971 AC 010 is input during the same cycle as the adjustment, use a posting delay code on the adjustment transaction to ensure the release of the -A freeze.

Note: If the return is considered a true duplicate (no change to the tax module) or classified waste, a TC 29X is not necessary because a TC 971 AC 010 was not input to set the -A freeze.

Reminder: AM employees **MUST** use the Integrated Automation Technologies (IAT) tool, REQ54, as mandated in IRM 21.2.2-2, ACCOUNTS MANAGEMENT MANDATED IAT TOOLS, to input adjustments of tax, penalty, interest, and the release of freezes. See IRM 21.2.2.4.4.14, Integrated Automation Technologies, for more information.

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(3)   In some instances, the returns cannot be worked and must be handled as follows:

If	And	Then
Return is marked "amended" or "corrected"	module does not contain a TC 150	Route to Receipt & Control (R&C), Batching, on the appropriate local routing document (e.g., Form 9948, Referrals To, or Form 12634, OIRSC Campus Document Transmittal) with instructions to process as original. The words "amended" or "corrected" **must be circled out**. *Reminder:* Use CC FRM49 to input TC 599 with Closing Code (CC) 094 (taxable return secured) or CC 096 (non-taxable return secured).
Return is marked "amended" or "corrected"	TC 150 is a 6020b return.	Route to R&C, Batching, on the appropriate local routing document (e.g., Form 9948, Referrals To, or Form 12634, OIRSC Campus Document Transmittal) with instructions to process as original. The words "amended" or "corrected" **must be circled out**. This is to allow the ASED to be systemically set.

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If	And	Then
An original return is received with or without correspondence	research indicates the return has never been processed (module does not contain a TC 150)	• If the module shows current status 02 or 03, use CC FRM49 to input TC 599 with CC 094 (taxable return secured) or CC 096 (non-taxable return secured). • Route to Submission Processing on Form 1725 or similar local routing document. Refer to IRM 21.5.1.5.5, Processing/ Reprocessing CII Tax Returns, for more information. • If correspondence was received, continue processing the correspondence following guidance under IRM 21.3.3.4, Correspondence Procedures.

Exception: Do not input a TC 599 CC 94 or 96 on Form 3520, Annual Return to Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts (MFT 68), or on Form 3520-A, Annual Return of Foreign Trust With a U.S. Owner, (MFT 42).

Reminder: To prevent an erroneous tax return posting to master file, ensure the tax return entity information is correct before submitting a "process as original" request to Submission Processing Receipt & Control (R&C), Batching.

21.7.9.3.2
(12-11-2015)
Amended Return Filed Under Notice 2015-73 and Notice 2015-74

(1) An amended Form 1040, Form 1065, Form 1120, or Form 1120-F, tax return filed under *Notice 2015-73*, Listing Notice - Basket Option Contracts, or *Notice 2015-74*, Transaction of Interest - Basket Contracts, must follow the notice requirements. The taxpayer must write "FILED UNDER NOTICE 2015-73" or "FILED UNDER NOTICE 2015-74" at the top of any amended paper return or, with respect to any amended return submitted electronically, must indicate "FILED UNDER NOTICE 2015-73" or "FILED UNDER NOTICE 2015-74". All amended tax returns notated in this manner will be reviewed by the Large Business and International (LB&I) Office of Tax Shelter Analysis (OTSA).

(2) If the amended tax return generated a -A freeze on the tax module, take the following closing actions:

   a. Update the Correspondence Imaging Inventory (CII) History Notes to indicate an amended return was forwarded to OTSA.

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    b.   Adjust the tax module per the amended return or, if no tax change, input a transaction code (TC) 290 .00 to release the -A freeze.

    c.   Send the amended tax return to the OTSA at:

Internal Revenue Service
OTSA Mail Stop 4915
1973 North Rulon White Blvd.
Ogden, UT 84404

(3)   If the amended tax return bypassed Submission Processing and there is not a -A freeze on the tax module, take the following closing actions:

    a.   Update the CII History Notes to indicate an amended return was forwarded to OTSA.

    b.   Input a TC 971 closing code 010 per IRM 21.7.9.3.1, Amended/ Corrected/Adjusted Returns that By-Pass Submission Processing.

    c.   Adjust the tax module per the amended return or, if no tax change, input a TC 290 .00 to release the -A freeze. Use a Posting Delay Code 1 with the TC 29X.

    d.   Send the amended tax return to the OTSA at:

Internal Revenue Service
OTSA Mail Stop 4915
1973 North Rulon White Blvd.
Ogden, UT 84404

21.7.9.3.3
(08-15-2017)
Form 1065 Duplicate Filing Conditions Reporting Technical Termination Under IRC 708(b)(1)(B)

(1)   If multiple tax returns are filed under the same employer identification number (EIN) and the return is notated IRC 708(b)(1)(B) or the technical termination box is checked on the return (2009 and subsequent revisions), follow the processing guidance under IRM 21.7.4.4.2.9.2, Partnership Terminations for Partnership Tax Years Beginning on or Before December 31, 2017, Only.

21.7.9.3.4
(12-15-2017)
Business Master File (BMF) Superseding Tax Returns

(1)   A superseding return is defined as a second (or subsequent) return filed on or before the due date for filing, including extensions. The second return is deemed to replace or supersede the original return. The superseding return is determined by the order in which the returns were filed and not based on which return was processed first. An amended (Form 941X) or corrected (duplicate) return (Form 941) filed on or before the due date or the extended due date is a superseding return.

(2)   Superseding returns are usually processed as an amended or corrected return since the original return has already posted and created a transaction code (TC) 150. The superseding return usually posts as a TC 976, duplicate filing condition, unless the superseding return is attached to correspondence. Correspondence requesting changes to a tax return, which is postmarked on or before the due date or extended due date, is processed as superseding return.

21.7.9.3.4.1
(02-05-2020)
Business Master File (BMF) Superseding Tax Return Processing Considerations

(1)   Estimated Tax (EST) Penalty - In most cases the estimated tax penalty is computed based on the tax shown on the taxpayer's original return. However, if the taxpayer files a superseding return, the penalty is computed on the tax shown on that superseding return. IRM 20.1.3, Estimated Tax Penalties, provides more detail.

(2) Failure to Deposit (FTD) Penalty – The FTD penalty is computed on the original Record of Federal Tax Liability (ROFTL); however, a superseding return with a Federal Tax Deposit requirement will require a Federal Tax Deposit calculation. IRM 20.1.4, Failure to Deposit Penalty, provides calculation guidance.

Note: ROFTL information isn't required when the de minimis exception for depositing is met. See IRM 20.1.4.6, De Minimis Exception to Deposit Requirements, paragraph (2).

(3) Use the applicable Blocking Series (BS) for the type of superseding return you are adjusting:

If	Then
The tax return was filed electronically.	Do not use BS 18. Use the appropriate BS for the type of return you are adjusting, using the non-refile DLN (15 through 17).
You are making an adjustment without the original return (non-refile DLN).	Use the BS (15 through 17) based on the type of return.
The original return or superseding return has been scanned to the CII case.	Use BS 00.

Note: For more information regarding the appropriate Blocking Series, see IRM 21.7.1.4.4, Miscellaneous Adjustment Situations (BMF), paragraph (7), IRM 21.5.1.5.3, CII Source Documentation, and *Document 6209, Section 4, 14 -* Adjustment Blocking Series.

(4) Use item reference number 871 when necessary. Refer to IRM 20.1.2.2.6.2, Incorrect Tax Shown Recorded, for more information.

(5) Superseding returns are subject to CAT-A identification and procedures. Review IRM 21.5.3-2, Examination Criteria (CAT-A) – General, and IRM 21.5.3-3, Examination Criteria (CAT-A) – Credits, for Examination referral guidance.

(6) The taxpayer may erroneously file monthly Form 941 tax returns instead of a quarterly tax return.

Example: The taxpayer filed a Form 941 for January 2020 and it posted as a TC 150 to 202003. The taxpayer filed a second Form 941, not a Form 941-X, in February 2020 and it posted to 202003 as a TC 976. The second Form 941 tax return is not marked amended, corrected, or supplemental and there is no correspondence explaining the duplicate filing.

Since the taxpayer intent for the first TC 976 is not clear and it appears to be a tax increase or a superseding tax return, follow the guidance under IRM 21.7.9.4.1.4(3)(b), Amended/Supplemental Return - Increase, and call the taxpayer to determine the reason for the second tax return. If the taxpayer

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indicates they are filing monthly tax returns, the second tax return is considered a superseding tax return. Take the following actions:

- Educate the taxpayer regarding the Form 941 quarterly filing and deposit requirements.
- Advise the taxpayer that the additional tax will be assessed, and they must file a quarterly tax return by the due date. The quarterly tax return must contain an explanation for the multiple tax returns filed during the quarter. In addition, the taxpayer will be told that FTD penalties may apply at the time of filing. This is an important step when the taxpayer is making direct payments.
- Document the conversation detail on AMS so the CSR working the third return is aware of the instructions given to the taxpayer.
- Assess the additional tax with a TC 290 and consider the application of a FTD penalty. A TC 298 is not appropriate for a superseding tax return.

(7) The Discriminant Information Function (DIF) score is a formula used by the IRS to select returns for review. If the return is not processed as an original, it has bypassed DIF scoring. Returns that bypassed DIF scoring must be forwarded to Examination for classification. Review IRM 21.5.2.4.23.6, DIF SCORE or CLASSIFICATION "Send Return(s) to Examination for Review," for DIF return identification and Examination referral guidance.

Note: The Assessment Statute Expiration Date (ASED) must be reviewed for accuracy. Because a superseding tax return must be filed on or before the due date of the return, including extensions, the ASED will be correct in most of the superseding cases. If the ASED must be corrected on the tax module, input a Transaction Code (TC) 560. TC 560 input details can be found under IRM 21.7.9.4.1.1.2(2), Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return.

(8) Reverse offsets to Individual Master File (IMF), Business Master File (BMF), and Debtor Master File (DMF) accounts when increasing the balance due.

(9) Treasury Offset Program (TOP) – It is acceptable to reverse a TOP offset when satisfying the balance due on a superseding return (IRM 21.4.6.5.7.1, Allowable TOP Offset Reversals).

21.7.9.3.5
(10-01-2018)
Amended Tax Returns Considered Potential BMF Identity (ID) Theft Cases

(1) BMF ID Theft cases are complex and require extensive research. The Accounts Management (AM) BMF campuses (Cincinnati and Ogden) have established centralized points of contact for potential BMF ID Theft case review. The campus contacts collaborate with the AM BMF ID Theft Liaison and Identity Protection Strategy and Oversight (IPSO) to coordinate the review and resolution of ID Theft cases.

(2) IRM 25.23.9, Business Master File (BMF) Identity Theft Processing, provides Servicewide guidance for resolving cases.

(3) BMF ID Theft can involve the filing of an original or amended return for a refund. What appears to be a duplicate filing condition can in fact be an ID Theft original return and the duplicate being the true return. Since ID Theft returns are handled differently, it is necessary to identify them prior to any account actions being taken. The determination that all returns have been filed by the employer identification number (EIN) owner or authorized third party

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needs to be made prior to making an adjustment. See IRM 25.23.9.9.1, Duplicate / Amended Return Research, for the specific items to consider when working an amended tax return.

(4) If the duplicate/amended return does not follow normal BMF filing patterns and meets the conditions described under IRM 25.23.9.9.1, take the following actions:

    a. Prepare a Form 14566, BMF Identity Theft Referral. The CII case number will be used to review the documents. The **Supporting Research for Requested Actions** box must contain an explanation of why the duplicate return appears not to follow normal BMF filing patterns.

    b. Send the Form 14566 by secure email to the AM BMF ID Theft point of contact: *W&I AM BMF IDT*.

    c. Update the CII history to indicate a Form 14566 was sent for review.

The local campus point of contact will determine whether the amended return will follow normal procedures or be reassigned to the AM BMF ID Theft inventory. The duplicate filing condition base remains open until a final inventory status determination is made.

21.7.9.4 (02-20-2015) **Duplicate Filing Conditions Procedures**	(1) Apply procedures in the following subsections when working Business Master File duplicate filing conditions and amended returns. *Reminder:* This section attempts to address situations most frequently encountered when working duplicate filed returns. Instructions and information contained in this and other applicable IRMs cannot address every possible issue that may arise. In some cases, it may be necessary to consult your lead and/or manager to determine the necessary corrective action. Any issue/question that cannot be resolved at the site-level or that could have Servicewide impact can be elevated to the headquarters analyst with program responsibility.
21.7.9.4.1 (06-02-2023) **Resolving Transcript (TRNS) 193 and Amended/Corrected/ Supplemental Returns**	(1) Some of the most common reasons for filing duplicate or amended returns include: • Taxpayer received a delinquency notice due to a delay in processing return • Taxpayer sent a duplicate return and indicated it was a **final** return • Taxpayer filed a second return to correct erroneous information on first return • Taxpayer filed a second return providing information not included with the original return (Missing form/schedule) • Taxpayer filed an original return but underpaid the tax liability; second return filed with payment of remaining tax liability • Taxpayer filed a separate return for each month of the quarter • Taxpayer received a penalty notice for failure to provide a tax liability breakdown; second return filed to provide missing information • Taxpayer filed a second return, with deposits specifically addressed, in response to a balance due notice regarding missing payments • Taxpayer is responding to a notice requesting more information (2) Determine and resolve duplicate filing conditions by examining and comparing information. Use the TRNS 193, duplicate return, Corporate Files On Line

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command codes (CC), and original return (secure only if absolutely necessary) to resolve case. Compare the items listed below:

- Difference in entities (names, addresses, taxpayer identification numbers (TIN), etc.)
- Tax periods
- Document Locator Numbers
- Correct form used
- Received dates
- Signature, title, and signature date
- Transaction codes (TC)
- Deposits (compare dates and amounts)
- Payment received with return(s)
- Module balance

(3) Check CCs ENMOD, NAMEB, INOLE when the TIN is circled out and a new TIN is provided on the return.

(4) Check for indication of "final" on returns and delete filing requirements, if necessary. Input TC 591 closing code 075 using CC FRM49.

(5) Per Rev. Proc. 2010-16, if you discover a new address on an amended return (DUPF) that is different than what is on ENMOD, update the address. The following items must be considered before making an address change:

a. If an address change has occurred after the amended return cycle date, do not update the address of record with the address reported on the amended return. Use CC ENMOD to review the address change cycle (ADR-CHG-CY) field, which represents the last address change. If the address change cycle field is later than the amended return cycle date, do not update the address of record.

   Example: A BMF amended return posted in cycle 201933. CC ENMOD research shows the last address of record change posted in cycle 201939 (ADR-CHG-CY field). Since the last address of record change is later than the amended return, the IRS will not input an address change based on the earlier request. The taxpayer may have provided a new address to the United States Postal Service which automatically updated the address per the National Change of Address (NCOA) database, submitted another business return after filing the amended return being resolved, or called the IRS with an oral notification.

b. If the account shows a Z Freeze, review IRM 21.3.5-1, Referral IRM Research List, for referral guidance.
c. If the amended return involves a Fiduciary Name Change or an Address Change on Form 1041, see IRM 21.7.1.4.9, Fiduciary Name/Address Change.
d. If an abbreviation is necessary, IRM 21.7.13.7.3.8.2, Street Address Abbreviations, provides the mandatory street address abbreviations. However, it is not necessary to correct existing abbreviation errors unless accessing the entity for other address corrections.

   Example: Do not input an address change to only update WEST to W. If the entity is accessed to correct a typographical error, misspell-

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ing, or add information (suite number, apartment number, etc.) and there is an abbreviation error, also update the abbreviation.

Note: The Form 8655, Reporting Agent Authorization, does not authorize a reporting agent filer to **request** an address change for the taxpayer (client). The change of address **request** must be submitted by the taxpayer (client). IRM 21.3.9.2.2, Authorizations - Form 8655, Reporting Agent Authorization,

#
#
#
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Address Changes Reported on Form 94XX Amended/Adjusted Employment Tax Returns, for more information.

(6)   If the duplicate filing condition was caused by the taxpayer using the wrong tax year form or used the correct form but checked the wrong check box, see IRM 21.7.9.4.2, Incorrect Tax Year Form or Check Box Used, for possible taxpayer contact.

21.7.9.4.1.1
(02-05-2020)
Transcript (TRNS) 193
Involving Reprocessing
Returns

(1)   When a return must be reprocessed via Form 13596, Reprocessing Returns, refer to the following:

- IRM 21.5.2-2, Preparing Form 13596 - Reprocessing Returns
- IRM 21.5.2.4.23.7(3), Coding and Editing Procedures
- IRM 21.5.2.4.23.1, Reprocessing Electronic Returns
- IRM 21.7.9.4.2, Incorrect Tax Year Form or Check Box Used

(2)   When a dummy return is reprocessed in place of an original or duplicate return, use the same received date as the original or duplicate, respectively.

(3)   When an original or amended/duplicate return posts to an incorrect taxpayer identification number (TIN)/tax period and is being reprocessed to the correct TIN/tax period, Transaction Code (TC) 971 must be input to identify cross reference data. Using Command Code (CC) REQ 77, input TC 971 using the appropriate Action Code (AC) and transaction date (TRANS-DT).

(4)   On the TIN/tax period you are moving the return from, input TC 971 as shown in the table below:

If	Then
The TC 150 return is being reprocessed.	Input TC 971 AC 001. Use the return received date (RRD) as the transaction date. (The RRD is located on TXMOD in the RET_RECVD_DT_ field)
The TC 976 return is being reprocessed.	Input TC 971 AC 002. Use the posted TC 976 date as the transaction date.

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(5) Input TC 971 AC 017 on the TIN/tax period you are reprocessing the return to. Use the actual stamped received date of the return being reprocessed as the transaction date. If the actual stamped received date is before the tax return due date, then use the tax return due date as the transaction date.

Note: If the received date is unclear or missing, refer to IRM 21.5.1.4.2.4, Received Date - Determination, for assistance.

Reminder: TC 971 AC 017 is also used by CAWR to cross reference EINs for Reconciliation Balancing. See IRM 4.19.4.3.5(3), Working Replies – Cross Reference (X-Ref) Cases/Filed With Another EIN, for more information.

(6) Do not input a TC 971 AC 017 on a period with a fiscal year month (FYM) that differs from the one on ENMOD.

Example: A fiscal year taxpayer files a short period final income tax return. It posts as a TC 976 on tax period ending 202012 but needs to be reprocessed to tax period 202103. Do not input a TC 971 AC 017 on tax period 202103. This causes an unpostable condition since the FYM on ENMOD indicates 12. **Do not change the FYM on ENMOD**.

(7) If a TC 971 is incorrectly input on an account with Action Code 001/002/017, reverse with a TC 972 with the same action code.

(8) If the master file status is 02 or 03, use CC FRM49 to input a TC 599 with Closing Code (CC) 094 (taxable return secured) or 096 (non-taxable return secured).

21.7.9.4.1.1.1
(10-01-2009)
Two Returns Posted to Same Account, Correct Return Posted First, TC 976 Belongs on Different Period/Taxpayer Identification Number

(1) If TC 976 return is posted to an incorrect account, use IDRS and CFOL command codes to determine where the return belongs.

(2) Once correct account is determined, see IRM 21.7.9.4.1.1.1.1, Reprocessing TC 976 Return to Module With No TC 150, or IRM 21.7.9.4.1.1.1.2, Reprocessing TC 976 Return to Module With TC 150, for instructions.

21.7.9.4.1.1.1.1
(11-02-2015)
Reprocessing TC 976 Return to Module with No TC 150

(1) Use Form 13596, Reprocessing Returns, to reprocess return to correct taxpayer identification number/tax period. See IRM 21.5.2.4.23, Reprocessing Returns/Documents, for reprocessing procedures.

(2) On module which TC 976 return is being reprocessed to:

    a. Input TC 971 AC 017 indicating where the return originally posted. See IRM 21.7.9.4.1.1(3), TRNS 193s Involving Reprocessing Returns, for proper input.

    b. If the master file (MF) status is 02 or 03, use Command Code FRM 49 to input a TC 599 with Closing Code (CC) 094 (taxable return secured) or 096 (non-taxable return secured).

(3) On module which TC 976 return is being reprocessed from:

    a. Input 290 .00 (use appropriate Hold Code) to release -A freeze.

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b. Transfer any credit which does not belong on this module (use TC 570 if necessary).

c. Input TC 971 AC 002 using REQ77. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.

21.7.9.4.1.1.1.2
(10-27-2020)
Reprocessing TC 976 Return to Module with TC 150

(1) On module which TC 976 return is being reprocessed to:

a. Input TC 29X to increase or decrease tax using appropriate reference numbers.

b. Input TC 971 AC 017 using REQ77.

c. Attach TC 976 return to adjustment document if working a **non-CII** (Correspondence Imaging Inventory) case.

d. If the TC 976 is a true duplicate of the TC 150, input a TC 290 .00.

e. Review the Assessment Statute Expiration Date (ASED) for accuracy. If the ASED needs to be corrected, follow the guidance under IRM 21.7.9.4.1.1.2, paragraph (2), Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return.

Reminder: The "tax shown on the return" field is an important key for failure to pay calculations and must be accurate. If the wrong return posted first and created a transaction code (TC) 150 (e.g., mixed period or entity, 6020(b), superseding return), review the "tax shown on the return" field. See IRM 20.1.2.2.6.2, Incorrect Tax Shown Recorded, for "tax shown" computation. If a correction is necessary, use Item Reference Number 871 to update the field. IRM 20.1.2.2.6.3, Wrong Return Posted First, provides the conditions and procedures for the back out adjustment.

Exception: If taxpayer filed Form 94X instead of the applicable Form 94X-X, Adjusted Employer's Return or Claim for Refund, follow procedures in IRM 21.7.9.4.1.4, Amended/Supplemental Return - Increase, for tax increases, and IRM 21.7.9.4.1.5, Amended Return - Decrease, for tax decreases.

Caution: It is not uncommon for there to be additional misapplied tax returns which need to be addressed, particularly when a number of delinquent tax returns have been filed at the same time. Before adjusting the account, consider whether the posted TC 150 on this module was intended for another tax period and would also need to be reprocessed.

(2) On module which TC 976 return is being reprocessed from:

a. Input TC 290 $.00 (use appropriate hold code) to release -A freeze.

b. Transfer any credits which do not belong on module. If necessary, input a TC 570. See IRM 21.5.8.4, IDRS Guidelines for Credit Transfers.

c. Input TC 971 AC 002 using REQ77. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.

21.7.9.4.1.1.2
(02-28-2023)
Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return

(1) Use IDRS and CFOL command codes to determine where the TC 150 belongs.

(2) Once the correct account/period is determined, it may be necessary to correct the Assessment Statute Expiration Date (ASED) to reflect the correct return received date. If it is determined the ASED needs to be corrected, input the following using CC REQ77:

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a.   EIN
b.   MFT and Tax Period
c.   TC 560
d.   The later of (return received date or original return due date) plus 3 years (in the Extension-Dt field)

> **Caution:** The ASED for employment tax returns (Form 941, Form 943, Form 944, and Form 945) is determined by a calendar year return being filed by April 15 of the succeeding year or the return received date, whichever is later. See IRM 25.6.1.6.4, Statute of Limitations Chart for Tax Returns, to determine the due date and statutory period of limitations for all BMF forms.

e.   "70" (in the DLN-CD field) to extend the ASED and "99" (in the DLN-CD field) to back date/back down the ASED.
f.   NSD, Correct ASED (in the Remarks field)

> **Note:** If the ASED is open, you do not need a transaction date. If ASED has expired and you are correcting it, you must input a transaction date that is one day prior to the ASED expiration date on the account to avoid an unpostable.

(3)   Update the Return Processible Date (RPD), if necessary. See IRM 20.2.4.5.1, Updating the RPD on Unprocessible Returns, for more information.

21.7.9.4.1.1.2.1
(03-15-2016)
Reprocessing TC 150 Return to Module with No TC 150

(1)   Use Form 13596, Reprocessing Returns, to reprocess return to correct taxpayer identification number/tax period. See IRM 21.5.2.4.23, Reprocessing Returns/Documents, for reprocessing procedures.

(2)   On module which TC 150 return is being reprocessed to:

a.   Input TC 971 AC 017 indicating where return originally posted. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.
b.   If the master file (MF) status is 02 or 03, use Command Code FRM49 to input a TC 599 with Closing Code 094 (taxable return secured) or 096 (non-taxable return secured).

(3)   On module which TC 150 is being reprocessed from:

a.   Input TC 29X with appropriate reference numbers to adjust tax to the amount reflected on TC 976 return. Use blocking series 00-09 since the TC 976 is now the original return on the module.
b.   If necessary, adjust any penalties.
c.   Transfer any credits which do not belong on module. (Use appropriate Hold Code with TC 29X in the first bullet above, if transferring credits.)
d.   Attach TC 976 return to adjustment document if working a **non-CII** case.
e.   Input TC 971 AC 001 using REQ77. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.
f.   Correct Assessment Statute Expiration Date, if necessary. See IRM 21.7.9.4.1.1.2, Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return, for input information.

> **Reminder:** The "tax shown on the return" field is an important key for failure to pay calculations and must be accurate. If the wrong return posted first and created a transaction code (TC) 150 (e.g., mixed period or entity,

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6020(b), superseding return), review the "tax shown on the return" field. See IRM 20.1.2.2.6.2, Incorrect Tax Shown Recorded, for "tax shown" computation. If a correction is necessary, use Item Reference Number 871 to update the field. IRM 20.1.2.2.6.3, Wrong Return Posted First, provides the conditions and procedures for the back out adjustment.

21.7.9.4.1.1.2.2
(03-01-2022)
Reprocessing TC 150 Return to Module with TC 150

(1) On module which TC 150 return is being reprocessed to:

    a.   Input TC 29X to increase or decrease tax using appropriate reference numbers. If there is no change to the tax liability, input a TC 290 for zero.

    b.   If the taxpayer identification number (TIN) or tax period is incorrect on the TC 150 return being moved, circle out (edit) the incorrect information and enter the correct TIN or tax period. (It is not necessary to enter anything else on return.)

    c.   Input TC 971 AC 017 using CC REQ77.

    d.   Attach TC 150 return you are moving to adjustment document if working a "non-CII" case.

    e.   Correct or set the Assessment Statute Expiration Date, if necessary. See IRM 21.7.9.4.1.1.2, Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return, for input information.

Reminder: The "tax shown on the return" field is an important key for failure to pay calculations and must be accurate. If the wrong return posted first and created a transaction code (TC) 150 (e.g., mixed period or entity, 6020(b), superseding return), review the "tax shown on the return" field. See IRM 20.1.2.2.6.2, Incorrect Tax Shown Recorded, for "tax shown" computation. If a correction is necessary, use Item Reference Number 871 to update the field. IRM 20.1.2.2.6.3, Wrong Return Posted First, provides the conditions and procedures for the back out adjustment.

Caution: It is not uncommon for there to be additional misapplied tax returns which need to be addressed, particularly when a number of delinquent tax returns have been filed at the same time. Before adjusting the account, consider whether the posted TC 150 on this module was intended for another tax period and would also need to be reprocessed.

(2) On module which TC 150 return is being reprocessed from:

    a.   Input TC 29X to increase or decrease tax using appropriate reference numbers, (blocking series 00–09 since the TC 976 is now considered the original return on the module), and HC to adjust tax for difference between the TC 150 and TC 976 returns.

    b.   Adjust penalties, if necessary.

    c.   Transfer credits, if necessary. See IRM 21.5.8.4, IDRS Guidelines for Credit Transfers. (Input TC 570 if necessary.)

    d.   Input TC 971 AC 001. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.

    e.   Attach TC 976 return to adjustment document if working a "non-CII" case.

    f.   Correct Assessment Statute Expiration Date, if necessary. See IRM 21.7.9.4.1.1.2, Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return, for input information.

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Reminder: The "tax shown on the return" field is an important key for failure to pay calculations and must be accurate. If the wrong return posted first and created a transaction code (TC) 150 (e.g., mixed period or entity, 6020(b), superseding return), review the "tax shown on the return" field. See IRM 20.1.2.2.6.2, Incorrect Tax Shown Recorded, for "tax shown" computation. If a correction is necessary, use Item Reference Number 871 to update the field. IRM 20.1.2.2.6.3, Wrong Return Posted First, provides the conditions and procedures for the back out adjustment.

21.7.9.4.1.1.3
(10-01-2009)
**Reprocessing Returns
with Failure to Deposit
Penalty Computation
Other Than Current
Master File Computation**

(1) If a return being reprocessed contains a Failure to Deposit (FTD) penalty computed differently from that which would be computed under current processing:

   a.   Verify correct penalty amount and enter near the top of return.

   b.   See IRM 20.1.4, Failure to Deposit Penalty, for more information.

   c.   Edit a Computer Condition Code "J" if taxpayer has provided a valid explanation for non-assertion of the FTD penalty based on reasonable cause.

21.7.9.4.1.2
(03-15-2023)
**Transcript (TRNS) 193
Received Without
Duplicate Return**

(1) When a TRNS 193 is received without the duplicate return, attempt to determine if it is a **true duplicate** (True DUPF) using CC BRTVU or CC TRDBV.

If CC BRTVU/TRDBV	Then
Proves the duplicate return to be a True DUPF.	Input TC 290 $.00 in BS 15/17 (if original return is attached use BS 00) and in the remarks portion of the adjustment document input "NSD - True DUPF per BRTVU/TRDBV".

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If CC BRTVU/TRDBV	Then
Proves the duplicate return to be a True DUPF of another period, and there are no open TDIs or missing returns for this MFT.	**On the TC 976 module, do the following:** • Input a TC 290 $.00 in BS 15/17 to release the -A freeze. • Input TC 971 AC 002 with appropriate cross reference information. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input of TC 971. **On the module to which the return is a true duplicate:** • Input a TC 290 $.00 in BS 15/17 using a print of BRTVU/TRDBV as documentation. If working cases thru CII, capture the BRTVU/TRDBV screen as required in IRM 21.5.1.5.1, CII General Guidelines. ***Example:*** A TC 976 generates on a Form 941 tax period 201206 and was received on October 31, 2012. The TRNS 193 is received without the TC 976 return attached. BRTVU clearly indicates the return is a true duplicate of the TC 150 posted to tax period 201209. There are no open TDIs on any other Form 941 accounts. Input a TC 290 $.00 and TC 971 AC 002, on the 201206 tax period. Input a TC 290 $.00 on the 201209 tax period and attach a print of BRTVU if working "non-CII" cases.

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If CC BRTVU/TRDBV	Then
Does not prove the duplicate return is a True DUPF. For example: • figures differ • **G** coded • open TDIs or missing return for this MFT. • payment received with duplicate return.	Make two attempts (if possible) to contact the taxpayer by telephone for a copy of the duplicate return. ***Exception:*** If the 976 is a Modernized e-File (MeF) return, do not contact the Taxpayer or request the document from Files. See IRM 21.7.9.4.1.2.2, Modernized e-file (MeF) Amended Returns, for more information. • If the taxpayer can provide a copy of the return today, see IRM 21.7.9.4.1, Resolving TRNS 193s and Amended/Corrected/Supplemental Returns, for procedures. • If you are unable to reach the taxpayer or if the taxpayer is not able to provide a copy of the return, continue to paragraph 2 below.

(2)   If you are unable to secure a copy of the return from the taxpayer, take the following actions:

- Request the document from Files using *CC ESTABD*, definer *S* (definer *F* if working a non-CII case). Notate in the remarks field "second request".

    Reminder: The TRNS 193 is considered the first request for the return.

- Send Letter 418C, Amended/Original Return Unavailable; Copy Requested, to the taxpayer requesting the missing information.
- Suspend the case in CII and update the activity code to reflect DTS-FRC-TP.

(3)   If Files is unable to secure the duplicate return after the two requests or if a response is not received from the taxpayer, take the following actions:

- Input a ″Special Search″ using Form 2275, Records Request, Charge and Recharge.
- Suspend the case in CII and update the activity code to reflect DTS-FRC-NR.

Note: Allow 21 business days for in-house requests, or 30 business days for FRC requests, for receipt of the return from Files. See IRM 3.5.61.1.13, Timeliness Requirements, paragraph (4)..

Reminder: Monitor the account for notice suppression and input a STAUP when necessary. Refer to IRM 21.5.2.4.8.2, Suppressing Balance Due Notices, for additional information.

(4)   If the duplicate return is received from Files or a return copy is received from the taxpayer, see IRM 21.7.9.4.1, Resolving TRNS 193s and Amended/Corrected/Supplemental Returns, for processing procedures.

(5)   If the return has not been secured, and the suspense period has ended, follow the table below:

If	Then
A payment was received with the duplicate return. This includes payments submitted electronically (i.e. EFTPS).	• Assess tax equal to payment amount. Use CC BRTVU to determine the proper tax correction if the return is not **G** coded. • If module credit balance is in excess of payment submitted with return, determine reason for additional excess credit. • Resolve any misapplied payments or other module freeze conditions before making assessment. • If TC 976 return is an employment tax return and you cannot determine the proper tax to correct, follow instructions in IRM 21.7.2.4.6.3.2, Withholding Tax Adjustment When Unable to Determine Proper Tax Correction, and input TC 29X using the applicable item reference number (IRN). Also, send *Letter 4384C*, Employment Tax Return-Form 94X, explaining the adjustment indicated on the amended/supplemental return has been made and in the future they must file the appropriate "X" form (specify the specific form to use) to make the adjustment.
Information is not available to determine adjustment needed and no payment was received with duplicate return	Input TC 290 $.00 to release the -A freeze.
Sufficient information is available to recreate the return and it needs to be reprocessed	Follow procedures in IRM 21.5.2.4.23.11, Reprocessing **Dummy** Returns.

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21.7.9.4.1.2.1
(03-15-2016)
Multiple Returns Posting to a Module, One (1) or More Returns Were Electronically Filed

(1) Multiple returns are posting to some Form 941 and Form 940 accounts where one or more of the returns were electronically filed. DUPFs have generated on some accounts where one return was filed via XML format and another return was filed on paper. We also have DUPFs generating when one return is filed in XML format and a second return is filed electronically via the legacy e-file system (EDI/Proprietary formats). There is no interaction between the legacy and XML systems. Because the returns were not submitted using the same system for the first and second return, they were not recognized as duplicates and were allowed to post.

(2) Some of these DUPFs are the result of the taxpayer having difficulties with one system and then converting to another system. They also are generating because the taxpayer has changed payroll companies. One payroll company submits a return for the entire quarter and the other company submits a partial or zero return, with both companies using different formats.

(3) Use CC BRTVU to view the second (TC 976) return. See IRM 21.7.9.4.1.4, Amended/Supplemental Return – Increase, and treat as a supplemental return, unless something indicates otherwise. If there is a credit balance on the account and you do not treat as a supplemental return, do not release the refund without contacting the taxpayer.

21.7.9.4.1.2.2
(03-15-2023)
Modernized e-file (MeF) Amended Returns

(1) Amended returns filed through MeF are identified by a TC 976 with Computer Condition Code (CCC) "G" and a unique FLC (File location code) that generally begins with 93 (Overflow DLNs begin with 92 or 88).

Note: The FLC is the first two digits of the DLN. See IRM 3.42.4.9.2.1, Researching e-file BMF Identification Codes, for more information regarding FLCs.

(2) Certain taxpayer submitted paper returns are being digitally scanned by a vendor and then processed through MeF by the Service. The digitalized returns are identified by a unique FLC that begins with 37, 40, 42, 44, 75, 86, 91 or 92.

(3) The TC 976 document is not available on CII and will be notated "No Documents were found for this case" in the document images section of the CII case. The document is accessed through the Employee User Portal (EUP), using the *MeF Bus Tax Return & Ack PRD* application. The *MeF Return Request and Display User Guide R9* is available to assist IRS employees who need to view and print tax returns, extensions, and/or transmissions.

(4) Process amended MeF returns using existing procedures in this IRM.

Exception: Special handling of some amended returns is necessary to ensure refunds are processed in a timely manner, within the 45-day interest-free period. See IRM 21.7.9.4.1.2.2.1, MeF Amended Returns Requiring Expedited Handling, for more information.

(5) Route carrybacks to the appropriate carryback unit. Also, route claims to Examination and send Cat-A as required. See IRM 21.5.3-2, Examination Criteria (CAT-A) - General, and IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits, for more information.

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21.7.9.4.1.2.2.1
(07-09-2020)
Modernized e-File (MeF) Amended Returns Requiring Expedited Handling

(1) Special handling is required to ensure certain MeF amended returns are processed timely and refunds are issued within the 45-day interest-free period. The following procedures were developed to identify and route amended carryback returns and returns expecting a refund of $100,000.00 or more.

(2) A MeF ad hoc amended return report is generated by the Ogden Accounts Management Campus (OAMC) MeF Coordinator each Tuesday for the previous week's data (Sun-Sat). The report is sorted by the following categories:

- 1120X carryback returns - **Y** in the carryback checkbox column
- 1120X returns - **N** in the carryback checkbox column with an expected refund of $100,000.00 or more
- Amended 1120S returns
- Amended 1065 returns

Note: No special actions are taken for the remaining amended MeF returns that were filed. These returns generate DUPF cases and are worked following normal procedures.

(3) A listing of the 1120X carryback cases is forwarded to a designated carryback manager to be worked by carryback employees. See IRM 21.5.9.5.1.1, BMF Carrybacks Filed via the Modernized e-File (MeF) System (Ogden AM Campus Only), for more information.

(4) A listing of the 1120X amended returns expecting a refund of $100,000.00 or more is forwarded to a designated OAMC team for resolution.

Note: Carryback returns identified by this OAMC team are forwarded directly to the designated carryback manager to be worked by carryback employees.

(5) MeF amended returns post 1-2 cycles prior to the posting of the -A freeze on master file and the generation of the Correspondence Imaging System (CII) case. Therefore, a CII case will not be present at the time the large refund case is worked. MeF trained employees work the amended returns and input No Source Document (NSD) TC 29X adjustments or route, as appropriate, according to IRM requirements **prior** to the TRNS 193 and -A freeze generation.

(6) When inputting the adjustment, employees input "MEFEUP193" as the adjustment activity and "MISC" as the IDRS category code.

(7) Employees must create a CII case with the following information:

- Worktype: BMF (Business Master File)
- Doc Type: Duplicate Filing - 1120
- Function: ADJ-710
- Program: 10050
- Reason: Pending CII TRNS193 Control

Use the received date from the ad hoc report. Suspend the CII case for 30 days until the CII TRNS193 case is created. CII recognizes that an employer identification number case is active and assigns the new case to the employee who created the case.

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(8)   Once the CII TRNS193 case has been created and associated, the employee links the cases together on CII and closes both CII cases to complete processing.

Caution: There may be instances when the CII TRNS 193 case does not correctly associate to the employee. A CII taxpayer identification number search may be necessary.

21.7.9.4.1.2.3
(11-02-2015)
Employment Tax E-file Legacy Program

(1)   Employment tax returns (Form 94X) electronically filed through the Employment Tax e-file Legacy Program are assigned File Location Code (FLC) 35.

(2)   Form 94X returns were added to the Modernized e-File (MeF) platform in processing year 2014. Both Legacy e-file and Modernized e-file (MeF) were available for this program until Legacy is retired at the end of 2015.

(3)   If an electronic tax return with a File Location Code (FLC) 35 is needed to resolve a duplicate filing condition, the document can be requested with Command Code (CC) TRPRT. IRM 21.2.2.4.4.6, TRDB CC TRPRT (Tax Return Print) Input, and the *IDRS Command Codes Job Aid* provides more information on CC TRPRT.

(4)   Once the request is processed, the form image is available in a job print file. The print file is available for view or print through Control D. The request will typically be available the day after the request is input on IDRS. The TRPRT graphic will be available nationwide regardless of where the return was filed.

(5)   The TRPRT print is not considered the original return. The print will be labeled **TRPRT PRINT DO NOT PROCESS**. However, when the return must be reprocessed, the TRPRT print will be used. See IRM 21.5.2.4.23.1, Reprocessing Electronic Returns, for electronic return reprocessing guidance.

(6)   The Accounts Management BMF campuses have a local process in place to secure TRPRT prints for research and reprocessing.

21.7.9.4.1.2.4
(10-01-2014)
Transcript (TRNS) 193 Erroneously Generated from Input of TC 971 AC 010

(1)   Forms 94X-X scanned via CII, systemically generate TC 971 AC 010. If the TC 150 is not posted, an erroneous TRNS 193 generates. This results in an additional control base on CII/IDRS. Master file programming was implemented in July 2011 to prevent these erroneous notices.

(2)   For specific information on how these cases were identified and worked, see archived copies of this IRM.

21.7.9.4.1.3
(11-02-2015)
True Duplicate

(1)   A true duplicate condition occurs when the taxpayer files two returns for the same tax period with the same information on both returns and no tax change is required.

(2)   Do the following:

   a.   Analyze account data and both returns (if original was needed to resolve case) to verify they are true duplicates.
   b.   Input TC 290 $.00 with the applicable blocking series (BS) for the type of return you are adjusting to release the -A freeze. If adjusting without the original return (non-refile DLN), the type of return determines the BS (15 through 17). Use duplicate return for source document if working a "non-CII" case.

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Caution: If the module is in zero balance, input hold code "0". If the true duplicate return was received with payment, do not treat as a true duplicate. See IRM 21.7.9.4.1.4, Amended/Supplemental Return-Increase, and treat as a supplemental return.

(3) Staple TRNS 193 to duplicate return when appropriate.

Note: If original return was secured, staple duplicate return behind original ("non-CII" environment) and use appropriate BS (00-09).

21.7.9.4.1.4
(12-20-2022)
**Amended/Supplemental
Return - Increase**

(1) Returns reporting tax increases are sometimes marked as "amended" returns. They can also be marked as "corrected" or "supplemental". Additional tax is usually paid with these returns. Follow (4) below if the return is an amended/corrected/supplemental return.

(2) Taxpayers do not always explain why a second return was submitted. Entities with more than one business location are supposed to be combined and reported on one return. Many times, taxpayers file separate returns for each location. Thoroughly research account on IDRS/CFOL using all available tools to determine whether to assess liability on second return. Consider such items as the following:

    a. Do the filing/signature dates, liability periods, credits claimed, or payments made, relate to any other tax period?

    b. Is there any change to the entity information which could indicate a different taxpayer?

    c. Are there any open modules (for example, no TC 150) for which the second return is intended?

    d. Is there an indication the second return is in response to previous Campus correspondence?

(3) If the reason for filing the second return is not clear, more information is needed. Action required:

    a. Request TC 150/976 documents, if necessary.

    b. Attempt to contact the taxpayer by phone for more information.

    c. Document call attempts and any conversation with the taxpayer.

    d. Correspond with the taxpayer using *Letter 31C*, Duplicate Returns Filed; Explanation Requested, if unable to contact by phone.

    e. If corresponding, suspend for 40 days.

(4) After complete research and development of a case resolution plan, which may be a "no reply" determination, take the following action:

    a. Re-compute tax liability. A tax increase on a supplemental return is increased for the amount reported on the supplemental return. A tax increase on an amended return is increased for the difference between the original and amended returns.

    b. If taxpayer filed Form 94X instead of the applicable 94X-X form, follow procedures in IRM 21.7.2.4.6.7.4, **Amended** / **Supplemental** Form 94X with or without Form 941c.

    c. For math verification procedures, see IRM 21.5.1.4.12, Tolerances.

    d. Compare information on TRNS 193 with IDRS data. Consider any action which has taken place since TRNS 193 generated, before adjusting account.

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e. Increase tax with TC 29X and adjust any appropriate IRNs, abstract numbers etc. If adjusting without the original return (non-refile DLN), the type of return determines the BS (15 through 17). Use appropriate BS (00-–09) if the TC 150 document has been secured. Use BS 18 on superseding returns only if working a "non-CII" case. See IRM 21.5.1.5.3, CII Source Documentation, for CII blocking information.

> **Note:** When a Form 941-X, Form 943-X, Form 944-X, Form 945-X, or Form CT-1X is used to adjust an account, blocking series 20 must be used with the TC 29X. See IRM 21.7.2.4.6(13), Adjusted Employer's Federal Tax Return or Claim for Refund, for more details.

f. Adjust penalty and interest if necessary. See IRM 20.1.4.21.3, Amended or Supplemental Return (Tax Decrease or Non-Interest Free Tax Increase), and IRM 20.1.4.21.5, Adjusted Returns (Forms 941-X, 943-X, 944-X, 945-X, and CT-1X, before adjusting the FTD penalty and IRM 20.2, Interest, respectively.

g. If the Form 94X was for a different location, advise the taxpayer only one return is necessary even though multiple locations are involved.

h. Allow adjustment notice (CP 210/220) to generate. If the adjustment is different than what the taxpayer expected, correspond with the appropriate Correspondex letter and explain the changes to the taxpayer.

i. If taxpayer filed separate returns (Form 941/943/944/945/CT-1) for multiple locations, send Letter 673C and advise taxpayer to file only one tax return per tax period (in the future), even though several businesses are involved.

(5) Review the general claim procedures before processing a tax increase or credit decrease. See IRM 21.5.3, General Claims Procedures, for details.

21.7.9.4.1.5
(08-15-2017)
Amended Return - Decrease

(1) Amended returns filed to decrease tax must have backup information (required forms, schedules, etc.) attached, unless return is correcting a reporting error. Refer to the appropriate section of this IRM for required documentation for each form.

(2) If the TP is attempting to reduce their employment tax to zero, see IRM 21.7.2.5.1, Frivolous Employment Tax Claims, for more information.

(3) If the TP filed a Form 94X Employment Tax return, instead of the applicable 94X-X form, follow the instructions under IRM 21.7.2.4.6.7.4, "Amended" / "Supplemental" Form 94X with or without Form 941c.

(4) For BMF returns take the following action:

a. Compare information on TRNS 193 with IDRS data. Consider any action which has taken place since TRNS 193 generated, before adjusting account.

b. Recompute tax liability.

c. Decrease tax with TC 29X and appropriate IRNs, CRNs, etc., using appropriate BS and HC. If adjusting without the original return (non-refile DLN), the type of return determines the BS (15 through 17). Use appropriate BS (00-09) if the TC 150 document has been secured.

> **Note:** When a Form 941-X, Form 943-X, Form 944-X, Form 945-X, or Form CT-1X is used to adjust an account, blocking series 20 must be used with the TC 29X. See IRM 21.7.2.4.6(13), Adjusted Employer's Federal Tax Return or Claim for Refund, for more details.

> **Note:** If the adjustment results in a refund of $10 Million or more, follow procedures in IRM 21.5.2.4.11, Assessments or Refunds over $10 Million.

    d.   If necessary, adjust penalty and interest. See IRM 20.1, Penalty Handbook, and IRM 20.2, Interest, respectively.

> **Note:** If an employment tax return has FTD penalty, see IRM 20.1.4.21.3, Amended or Supplemental Return (Tax Decrease or Non-Interest-Free Tax Increase), to reduce the FTD penalty.

(5) Review the general claim procedures before processing a tax decrease or credit increase. See IRM 21.5.3, General Claim Procedures, for details.

21.7.9.4.1.6
(03-08-2017)
Duplicate Filing Conditions Involving Returns Prepared Under IRC 6020(b)

(1) Pursuant to IRC 6020(b), a substitute-for-return (SFR) is prepared by the IRS when it is determined a taxpayer is liable to file but failed to do so after notification from the IRS.

(2) A 6020(b) return is identified on TXMOD by Computer Condition Code (CCC) 4 and the literal "6020b" at the end of the TC 150 assessment DLN. TXMOD may also contain TC 59X and a closing code. Some of the most common closing codes are 08, 09, 38, 39, 63, and 64.

    a.   Closing codes 08, 38 and 63 indicate a return was prepared by IRS (un-agreed case) using prior quarters. Statutory period begins when taxpayer files a signed return.

    b.   Closing codes 09, 39 and 64 indicate taxpayer agreed to proposed assessment. See IRM 25.6.1.9, Assessments, for more information on statute considerations.

> **Reminder:** If the tax module is in collection status 26, do not release the -A freeze and review IRM 21.3.3.4.9.2, Campus Collection Function Correspondence/Inquiry/Notice, for referral guidance.

(3) When the TC 150 is the taxpayer's return and the TC 976 is the 6020(b) return, no **tax** adjustment is necessary. Input TC 290 $.00 with the appropriate blocking series (BS) to release the -A freeze.

(4) On Form 940, state wage and contribution certification must be considered prior to adjusting the account. For more information, see IRM 21.7.3.4.3, Manual Certification Required/Not Required. When a requested certification is received by the IRS, refer to IRM 21.7.3.4.8, Claims and Requests for Adjustments (Form 940).

(5) When the TC 150 is the 6020(b) return and the TC 976 is the taxpayer's return reflecting a tax **decrease**, do the following:

    a.   Review the general claim procedures before processing a tax decrease or credit increase. See IRM 21.5.3, General Claim Procedures, for details.

    b.   Review IRM 21.5.1.4.12, Tolerances, for details on prepaid credits and tax decrease tolerances.

> **Caution:** If the taxpayer files a Form 94X, the tax return reflecting the tax decrease is considered the original filing and a Form 94XX tax return is not required to adjust the tax module.

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    c.   If the taxpayer's return reported a tax liability over tolerance, the tax liability must be math verified.

    d.   Input TC 291 using the appropriate item reference numbers (IRN), credit reference numbers (CRN), and blocking series (BS) for the type of tax being adjusted by the taxpayer.

> **Note:** Only use a refile blocking series (i.e., 00 and 09) when you have the TC 150 document.

    e.   Manually compute Failure to File (FTF) and Failure to Pay (FTP) penalties if previously restricted (TC 160, 161, 270, 271). See IRM 20.1.2.3, Failure to File a Tax Return or to Pay Tax - IRC 6651, for adjusting penalties. If not previously restricted, IRS's computers will automatically adjust.

    f.   If payments are on the module and a credit is generated by a tax decrease, we must ensure the credit is refundable. If the credit is not refundable, move the non-refundable credit to excess collections. See IRM 21.5.3, General Claim Procedures, for more information.

(6)   When the TC 150 is the 6020(b) return and the TC 976 is the taxpayer's return reflecting a tax **increase**, do the following:

    a.   Review the general claim procedures before processing a tax increase or credit decrease. See IRM 21.5.3, General Claim Procedures, for details.

    b.   Math verify tax liability on taxpayer's return, if over tolerance.

    c.   Input TC 290 using the appropriate IRNs, CRNs, and BS for the type of tax being adjusted by the taxpayer. If the tax shown amount does not reflect the taxpayer's correct tax, update the field with IRN 871.

    d.   If module penalties were previously restricted (TC 160, 161, 270, 271, etc.), manually compute the penalties. See IRM 20.1.2.3, Failure to File a Tax Return or to Pay Tax - IRC 6651, for adjusting penalties. If not previously restricted, input **Priority Code (PC) 2** with TC 290.

> **Caution:** The FTP back-out procedures (IRM 20.1.2.2.6.3, Wrong Return Posted First) are not required for this type of adjustment. Input of the appropriate PC on a tax increase allows the computer to adjust the FTP penalty from the RDD. The use of IRN 871 to correct the tax shown will not affect the FTP calculation.

(7)   Always consider manual computation of an Estimated Tax Penalty and Failure to Deposit Penalty when decreasing or increasing tax. IRM 20.1.3, Estimated Tax Penalties, and IRM 20.1.4, Failure to Deposit Penalty, provides more detail. If the penalty is not restricted (previously manually assessed) on the tax module and the tax liability is being reduced to zero, manual abatement is not necessary because the computer will adjust the penalty. See IRM 20.1.4.21.3, Amended or Supplemental Return (Tax Decrease or Non-Interest-Free Tax Increase), to address a prior FTD penalty when not reducing the tax liability to zero.

(8)   If the original return (TC 150) is a Form 1120S or Form 1065 secured under IRC 6020(b) and Schedule K-1s are attached to the TC 976 return, detach the schedules and route to Receipt and Control for processing. If the TC 976 return was scanned into CII, it will be necessary to print the schedules and forward them to Receipt and Control.

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21.7.9.4.1.6.1
(10-25-2017)
Form 94X-X Return Filed Instead of Form 94X - TC 150 is IRC 6020(b) Return

(1) If the IRS prepares a return under the authority of IRC 6020(b), the IRS has a policy against abating any portion of the tax assessed unless the taxpayer files an original signed tax return.

(2) Taxpayers may erroneously respond to these IRC 6020(b) assessments with an amended Form 94X-X, instead of a signed Form 94X. To resolve these types of issues, follow the steps below:

  1. Review the account and determine the appropriate Form 94X filing requirement based on IDRS research.
  2. Contact the taxpayer, preferably by phone, to obtain a signed copy of the correct tax return along with any required schedules.
  3. If unable to reach the taxpayer by phone, request the signed copy with Letter 4384C and suspend the case for 40 days.

(3) If the taxpayer provides a copy of the return, process the return.

(4) If the taxpayer does not respond during the suspense period (no reply) and the Assessment Statute Expiration Date (ASED) has not posted to TXMOD, follow the steps below.

  1.   Prepare a "dummy" return using the corrected information from the "X" form(s).
  2. Attach the Form(s) 94X-X to the back of the "dummy" return.
  3. Process "dummy" return as the original.
  4. Ensure all applicable deposits are correctly applied.

(5) If the taxpayer does not respond during the suspense period (no reply) and the ASED has posted to TXMOD, follow IRM 21.7.9.4.1.6, Duplicate Filing Conditions Involving Returns Prepared Under IRC 6020(b), to adjust the tax module to the taxpayer's figures. Update the CII History Notes to indicate the taxpayer did not reply to the Letter 4384C and the account was adjusted per the Form(s) 94X-X.

21.7.9.4.1.6.2
(08-23-2021)
Wrong Form 94X Type Filed - TC 150 is IRC 6020(b) Return

(1) If the IRS prepares a return under the authority of IRC 6020(b), the IRS has a policy against abating any portion of the tax assessed unless the taxpayer files an original signed tax return.

(2) Taxpayers may respond to these assessments with a different Form 94X type. To resolve this issue, follow the steps below:

  1. Review the account and determine the appropriate Form 94X filing requirement.
  2. Contact the taxpayer, preferably by phone, to determine why the taxpayer submitted a different form type and obtain a signed copy of the appropriate return along with any required schedules.
  3. If unable to reach the taxpayer by phone, request the signed copy of the return with Letter 4384C and suspend the case for 40 days.

  Example: The 6020(b) is a Form 944 and the taxpayer submits a Form 941.

(3) If the taxpayer provides a signed tax return matching the IRC 6020(b) form type, process the return.

(4) When the taxpayer does not respond during the suspense period (no reply), follow the guidance below:

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If	Then
If the wrong employment tax return reports a tax decrease, (the tax liability is less than the IRC 6020(b) tax return)	1. Update the CII History Notes to indicate the taxpayer did not reply to the Letter 4384C and the taxpayer did not provide the correct type of form to adjust the account. 2. Close the case no reply.
The wrong employment tax return reports a tax increase (the tax liability is higher than the IRC 6020(b) tax return)	1. Prepare a dummy return using the information from the wrong Form 94X filed by the taxpayer. 2. Attach the wrong Form 94X to the back of the dummy return. 3. Follow IRM 21.7.9.4.1.6, Duplicate Filing Conditions Involving Returns Prepared Under IRC 6020(b), to adjust the tax module to the higher tax liability (tax increase). *Note:* If the Assessment Statute Expiration Date (ASED) was not set by the IRC 6020(b) activity, do not update the ASED unless the filed return provides sufficient data to calculate the employment tax liability. 4. Update the CII History Notes to indicate the taxpayer did not reply to the Letter 4384C. 5. Issue a Letter 673C to the taxpayer explaining the tax increase and make another request for the correct form type.

21.7.9.4.1.7
(10-20-2016)
Federal Tax Deposit
Discrepancies on
Duplicate Filing Cases

(1) When resolving duplicate filing conditions involving returns subject to FTD penalty, compare the Record of Federal Tax Liability (ROFTL) section of return against deposits and payments posted to the tax module. This applies to returns posted to correct modules as well as those being reprocessed to other modules.

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(3) Before closing the case, review IDRS to determine whether a CP 194, Data for Computation of Possible FTD Penalty on Forms 941, CT-1, 720, 940, 943, 944, 945, or CP 207, Proposed Averaged FTD Penalty, Request for Correct ROFTL Information, was issued. If so, see IRM 20.1.4.15, CP 194 Notices (Possible FTD Penalty), and IRM 20.1.4.18, CP 207/207L Notices, for a notice explanation. If there is an open CP 194 or CP 207 IDRS control base, coordinate with the assigned employee to prevent an erroneous FTD penalty assessment. The amended return could be the taxpayer's response to CP notice.

21.7.9.4.1.7.1
(10-01-2009)
In-House Research Procedures

(1) Verify return tax computation to ensure federal tax deposit information was correctly entered. If an error is found due to addition, subtraction, transposition of numbers, or misapplied entries:

   a. Correct deposit amount claimed on return.
   b. Reprocess return to correct module, if necessary.

(2) If federal tax deposit payments are missing or misapplied, research the federal tax deposit Credit Module (MFT 01, tax period 000000), the Unidentified Remittance File, and prior and subsequent tax periods to locate payments.

(3) Transfer any erroneously posted payments to correct modules (See IRM 21.5.8, Credit Transfers).

21.7.9.4.2
(10-20-2016)
Incorrect Tax Year Form or Check Box Used

(1) Duplicate filing conditions are sometimes caused by the incorrect use of a tax form or check box. To resolve these issues, see the information below:

If caused by	Then advise via Letter 673C
Wrong tax year form	Use correct tax year in future
Correct year/wrong check box	Ensure correct period is marked

(2) The taxpayer does not need to be notified if the return was a final return, or if the taxpayer indicated on the duplicate return the correct period and Code & Edit did not properly code the return.

21.7.9.4.3
(01-01-2005)
Multiple Taxpayer Identification Numbers (TIN)

(1) On cases involving multiple TINs, determine if either account needs to be deleted.

(2) If necessary, contact taxpayer and/or Entity Control for purpose of deleting accounts, filing requirements, and/or input of appropriate TC 59X.

21.7.9.4.4
(10-01-2013)
Transferring Accounts Which Cannot Be Transferred Using MF Procedures

(1) An Account Transfer is a means of transferring an account between master file accounts or between master file and non-master file when limitations within the system will not allow resolution of the case. An Account Transfer is necessary when a master file account is posted incorrectly and the Assessment Statute Expiration Date (ASED) is expired. See IRM 25.6.1.9.9.3, Correct Records on Expired Statute Periods, for procedures

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21.7.9.4.5
(03-26-2012)
Tax Equity and Fiscal Responsibility Act (TEFRA) and Administrative Adjustment Request (AAR) on Flow-through Entities

(1) Form 1065 TRNS 193s may involve an AAR allowed under TEFRA and must be sent to the Examination function before processing. IRM 21.7.4.4.2.9, Form 1065 and Form 1065X, Amended Return, Administrative Adjustment Request (AAR) and Bipartisan Budget Act (BBA), provides the specific criteria for this situation.

(2) For a general listing of CAT-A criteria, See IRM 21.5.3-2, Examination Criteria (CAT-A) – General.

21.7.9.4.6
(10-01-2010)
Document Code 51 Assessments - Employment Code Discrepancies

(1) Document Code 51 assessments unpost when entity Employment Code (EC) indicates taxpayer is not liable for type of tax assessed. Since Document Code 51 transactions are manually assessed in the Accounting Function and a bill issued to taxpayer, assessment must be posted at MF before taking corrective action. Entity verifies correct EC.

If	Then
EC is incorrect	Entity corrects EC and posts assessment.
EC is correct	Entity changes EC to allow assessment to post, cycles correct EC, and forwards case to Accounts Management on Form 3210.

(2) Each case sent by Entity has Form 8749, Unpostable Action and Routing Slip, attached. Input appropriate adjustment action specified on Form 8749 (e.g., abatement of erroneous assessment).

21.7.9.4.7
(10-01-2010)
CP 170 or CP 170A Duplicate Filing Condition

(1) Prompt, Quick, and Jeopardy Assessments are expeditious assessments made by area office Exam, Collection, or Campus functions when a statute is imminent or collection of taxes is in jeopardy. Tax data necessary for these assessments is transmitted to Accounting Function by telephone, mail, facsimile, or IDRS letter. The Accounting Function:

- Manually assesses tax, penalty, and interest
- Prepares a balance due notice to taxpayer
- Enters information in Integrated Submission and Remittance Processing to post to master file

(2) These pre-itemized transactions are numbered with a Document Code 51. They are identified by TC 370.

(3) Prompt assessment billings attempting to establish a tax module (TC 150) when a TC 150 is already present result in:

- Posting of a TC 290
- Establishment of -A freeze
- Generation of a CP 170 or CP 170A instead of TRNS 193

(4) To resolve -A freeze:

a. Follow normal duplicate filing adjustment procedures.
b. Determine reason for the prompt assessment.

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If	Then
Additional assessment is valid	Input TC 290 $.00 to release -A freeze.
Additional assessment is erroneous/duplicate	1. Input TC 291 to abate additional assessment. 2. Address penalty and interest, if necessary.

Note: Most Prompt, Quick, and Jeopardy Assessments are statute periods and need to be reviewed and/or cleared by the Statute Area before adjusting the tax.

21.7.9.4.8
(10-01-2010)
Transcript (TRNS) 293, Duplicate Return with TC 420 Present

(1) A TRNS 293 is generated when a duplicate return posts to an account with open TC 420 present.

(2) Use procedures for duplicate filing conditions. Be sure to consider the open TC 420 when adjusting account. See IRM 21.5.3, General Claims Procedures, when working claims.

21.7.9.4.9
(10-01-2010)
IRC 338 Filers

(1) Corporations making an election under IRC 338 can file two Forms 1120, thus creating a duplicate filing condition. Both returns are short period returns covering different periods.

(2) Determine proper period for each return, and:

    a. If both periods end in the same month, input first return with an FY ending for that month and subsequent return with an FY ending for following month.
    b. Since re-inputting return creates an unpostable due to a mismatch on the FY ending, attach instructions for Unpostables to force return to post.
    c. To work case, See IRM 21.7.9.4.1.1.2, Two Returns Posted to Same Account, Incorrect Return Posted First, TC 976 Return is Correct Return, or IRM 21.7.9.4.1.1.1.1, Reprocessing TC 976 Return to Module with No TC 150, as applicable.

21.7.9.4.10
(03-01-2022)
Transcript (TRNS) 190, Amended Return - No Original Posted

(1) TRNS 190 is generated within four cycles after a "G" coded TC 976 return posts to a module which does not contain an original return (TC 150).

(2) TRNS 190 is associated with TC 976 return and forwarded to Accounts Management for resolution.

(3) An E- Freeze is generated along with TRNS 190. This freeze must be released before the TRNS 190 case is closed by either posting:

    • TC 971 AC 002 or
    • TC 150

(4) Accounts Management must determine disposition of the TC 976 return.

    a. Check IDRS for an unpostable or rejected TC 150. IRM 21.5.5, Unpostables, provides guidance for identifying and researching unpostable

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conditions. IRM 21.4.1.4.1.2.4, Returns Located on Error Resolution System (ERS) or Rejects, provides rejects guidance.

    b.   Analyze return and any attached schedules for possible re-input to another tax period or TIN.

    c.   If TC 150 has posted to account since TRNS 190 was generated, close the base for the TRNS 190 to the DUPF control after it has been assigned to an employee. Resolve duplicate filing condition.

    d.   If further information is needed, call or send taxpayer a copy of the return using the appropriate Correspondex Letter. When a letter is sent, suspend the case for 40 days.

    e.   If there is Return Integrity Verification Operations (RIVO) involvement on the tax module (i.e., open control, TC 971 AC 711, or TC 973), refer to IRM 25.23.11.6.3, BMF Returns Selected for RICS Review, for additional procedures to follow. **Do not process the amended/duplicate return as the original**.

21.7.9.4.10.1
(11-02-2021)
TC 976 Return Intended as Original

(1)   If TC 976 return needs to be re-input to the same module, to post as the original (TC 150), the return must be edited and reprocessed using Form 13596, Reprocessing Returns.

(2)   Input TC 971 AC 002 to prevent the generation of TRNS 193. Use the posted TC 976 date as the transaction date. If the master file (MF) status is 02 or 03, use Command Code FRM49 to input a TC 599 with Closing Code (CC) 094 (taxable return secured) or 096 (non-taxable return secured).

(3)   If the TC 976 is a MEF partnership return (DLN begins with 93/92/88) with 100 partners or more, edit the return with Computer Condition Code (CCC) 6 to ensure the Failure to File Electronically penalty is not assessed. See IRM 21.7.4.4.2.8.1.1, Large Partnership Penalty for Failing to File Electronically, for more information on this penalty.

(4)   When reprocessing documents, review the guidance under IRM 21.5.2.4.23, Reprocessing Returns/Documents.

21.7.9.4.10.2
(10-20-2016)
TC 976 Return Posted to Incorrect TIN/Tax Period, Account for Which It Was Intended Contains the Original Return (TC 150)

(1)   When it is determined TC 976 return was intended for another module which contains the original return, action must be taken on both accounts.

(2)   On module which the TC 976 is being moved to:

    a.   Input TC 29X with appropriate reference numbers to adjust tax to the amount reflected on TC 976 return.
    b.   If necessary, adjust penalty and interest.
    c.   Input TC 971 AC 017 using REQ 77.
    d.   Attach TC 976 return to adjustment document.

Exception: If taxpayer filed Form 94X instead of the applicable Form 94X-X, Adjusted Employer's Return or Claim for Refund, follow procedures in IRM 21.7.9.4.1.4, Amended/Supplemental Return - Increase, for tax increases, or IRM 21.7.9.4.1.5, Amended Return - Decrease, for tax decreases.

Reminder: The **tax shown on the return** field is an important key for failure to pay calculations and must be accurate. If the wrong return posted first and created a transaction code (TC) 150 (e.g., mixed period or entity, 6020(b), superseding return), review the **tax shown on the return** field. See IRM 20.1.2.2.6.2, Incorrect Tax Shown Recorded, for "tax

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shown" computation. If a correction is necessary, use Item Reference Number 871 to update the field. IRM 20.1.2.2.6.3, Wrong Return Posted First, provides the conditions and procedures for the back out adjustment.

(3)   On module which TC 976 return is being moved from:

 a. Transfer any credits which do not belong on module. See IRM 21.5.8.4, IDRS Guidelines for Credit Transfers. Input TC 570 if necessary.

 b. Input TC 971 AC 002 to release E- freeze.

21.7.9.4.10.3
(11-02-2015)
TC 976 Return Posted to Incorrect TIN/Tax Period, Account for Which It Was Intended Does Not Contain an Original Return (TC 150)

(1)   If TC 976 return was intended for another module which does not contain an original return, action must be taken on both accounts.

(2)   On module which TC 976 return is being moved to:

 a. Use Form 13596, Reprocessing Returns, to reprocess return to correct TIN/tax period. See IRM 21.5.2.4.23, Reprocessing Returns/Documents, for reprocessing instructions.

 b. If the master file (MF) status is 02 or 03, use Command Code FRM49 to input a TC 599 with Closing Code (CC) 094 (taxable return secured) or 096 (non-taxable return secured).

 c. Input TC 971 AC 017. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.

(3)   On module which TC 976 return is being moved from:

 a. Transfer any credits which do not belong on module. See IRM 21.5.8.4, IDRS Guidelines for Credit Transfers. Input TC 570, if necessary.

 b. Input TC 971 AC 002 to release E- freeze. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.

21.7.9.4.10.4
(10-01-2010)
TC 976 Return Posted to Correct Module, Original Return Posted to Incorrect Module

(1)   When TC 976 return posts to correct module, but original return intended for that module incorrectly posts to another module, the original return on the incorrect module must be secured.

(2)   On module containing the incorrect original return:

 a. Abate tax assessed on incorrect module using appropriate HC. (Also abate penalty and interest if restricted.)

 b. Transfer credits to correct module. See IRM 21.5.8.4, IDRS Guidelines for Credit Transfers. Input TC 570, if necessary.

 c. Input TC 971 AC 001. See IRM 21.7.9.4.1.1, TRNS 193s Involving Reprocessing Returns, for proper input.

 d. Reprocess the TC 150 document to the correct period. However, if the return belongs on the module where the TRNS 190 generated, and the TC 976 amended return on that period is reporting the correct amount of tax, reprocess the TC 976 as the original. Edit an "X" on the TC 150 document and attach it behind the TC 976 return. Edit, on the return: "Do Not Detach". Also, edit the earliest received date from either document onto the document you are sending to be reprocessed.

(3)   On module where the TRNS 190 generated which contains the TC 976 return:

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a. Reprocess either the original or amended return as the TC 150. (Follow (2)(d) directly above if reprocessing the TC 976.)
b. If the TC 150 from the incorrect module contains the most current tax reporting information, reprocess it as the original to the module. **Only reprocess the TC 150** if it contains more current information than the TC 976, otherwise reprocess the TC 976. Edit an "X" on the TC 976 document and attach it behind the TC 150. Edit, on the return: "Do Not Detach." Also, edit the earliest received date from either document onto the document you are sending to be reprocessed.
c. Input TC 971 AC 002 to prevent generation of TRNS 193.

21.7.9.4.10.5
(04-28-2023)
TC 976 Return Cannot
Be Obtained from Files

(1) When working TRNS 190, and TC 976 return cannot be obtained from Files, follow procedures below:

a. Request the duplicate return with CC ESTAB (second request). The generation of the TRNS 190 is considered the first request for the missing tax return.
b. Send Letter 418C, Amended/Original Return Unavailable; Copy Requested, to the taxpayer requesting the missing information.
c. Suspend the case in CII and update the activity code to reflect DTS-FRC-TP.

(2) If Files is unable to secure the duplicate return after the two requests or if a response is not received from the taxpayer, take the following actions:

- Input a "Special Search" using Form 2275, Records Request, Charge and Recharge.
- Suspend the case in CII and update the activity code to reflect DTS-FRC-NR.

Note: Allow 21 business days for in-house requests, or 30 business days for FRC requests, for receipt of the return from Files. See IRM 3.5.61.1.13, Timeliness Requirements, paragraph (4).

Reminder: Monitor the account for notice suppression and input a STAUP when necessary. Refer to IRM 21.5.2.4.8.2, Suppressing Balance Due Notices, for additional information.

(3) If taxpayer does not reply and TC 976 return still cannot be located, follow the chart below:

If	Then
There are no credits on module	Input TC 971 AC 002 to release E- freeze.
There are credits on module which do not belong on any other module (appropriate research must be performed)	Prepare a dummy return using DLN of TC 976 return, with a tax liability equal to credits. See IRM 21.7.2.4.6.3.2, Withholding Tax Adjustment When Unable to Determine Proper Tax Correction.

Note: Use this procedure only if sufficient information is not available to process a return as original.

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