

## IRM PROCEDURAL UPDATE

DATE: 02/19/2015

NUMBER: WI-03-0215-0352

SUBJECT: Revisions to Processing Times of Forms W-7

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

CHANGE(s):

**IRM 3.21.263.2.3(3) revised to allow Form W-7 processing time of 7 rather than 6 weeks and up to 11 weeks if submitted during peak season or from abroad.**

3. It is the responsibility of all IRS employees to protect confidential applicant information and to understand what is and what is not an authorized access or authorized disclosure under the provisions of the law. This includes the protection of computer terminal information. For example, when applicants calling on IRS phone lines inquire about their application and less than seven (7) weeks have passed since the Form W-7 application was filed, advise the applicant to allow more processing time. If more than seven (7) weeks have passed and research shows no record of the application, employees are authorized to disclose to the applicant that we have no record of the application and they should re-submit.

**REMINDER:** During peak processing periods (January 15 through April 30) or if the application was submitted from abroad, allow up to 11 weeks.

**NOTE:** Ensure taxpayer data other than the name and address is **NOT** visible through a window envelope. For example, Form 14413 and Form 14415 must use envelopes without windows.

**IRM 3.21.263.4.7(1) revised Form W-7 processing time from 4-6 to 5-7 weeks.**

1. Once all data from the Form W-7 is entered into the ITIN Real Time System (RTS), the database will systematically generate the application status. These codes are used to identify the final status of the application. The status codes are:

| Status Code | Definition   |
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| Assigned    | Used to identify those applications that have been assigned an ITIN. |

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| Suspended   | Used with suspense reason code(s) and identifies those applications that have been suspended for additional or missing information.  |
| Rejected    | Used with reject reason code(s) and identifies those applications that have been rejected due to failure to meet requirements.   |
| Hard Reject | Used with hard reject reason code(s) and identifies those applications that have been rejected due to an invalid tax return.   |
| OFAC        | <p>Identifies those records that require further processing beyond the normal 5-7 week turn-around time frame. These cases require special handling. If contacted by applicant whose applicant is in OFAC status, follow procedures below:</p> <ul style="list-style-type: none"> <li>○ Advise applicant application has been received and is currently being processed.</li> </ul> <p><b>EXCEPTION:</b> AM and TAC employees will prepare Form 4442, <i>Inquiry Referral</i>, listing name, DOB of applicant, DLN, and telephone contact information along with Form 8822, if applicable, and annotate "contact with applicant" with the date of the contact. Fax Form 4442 to the ITIN Unit, attention: "OFAC" Status Coordinator. Route Form 8822 to Entity.</p> <ul style="list-style-type: none"> <li>○ Verify the applicant's address and request a telephone number with the best time to call if additional information is required to process the application. If the address of record is different from what is on the ITIN database, then request taxpayer complete Form 8822, <i>Change of Address</i>. Instruct the taxpayer to send this directly to the ITIN Unit.</li> <li>○ Advise the applicant that additional time is required to process their ITIN application and allow 90 days from the date of the contact before inquiring again regarding the status.</li> </ul> |
| Pending     | <p>Used to identify those applications that have been assigned a pending status. A pending status indicates an external entity was unavailable for an ITIN validation to take place.</p> <p>SP ITIN Operation, attempt to resubmit the application on RTS.</p> <p>Field Assistance (FA), IRM 3.21.263.6.1.34 for Form 4442</p>   |

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|  | <p>preparation procedures,</p> <p>Accounts Management (AM), IRM 3.21.263.7.5 for Form 4442 preparation procedures.</p> |
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**IRM 3.21.263.5.8.4(7) revised to change Form W-7 processing time from 6 to 7 weeks and 9-11 weeks (from 10) if filed during peak season or from abroad.**

- When a CAA inquires about the status of their clients application or has received a notice from the ITIN database, determine actions using the table below.

**NOTE:** Carefully review all remarks on the W-7 Application View Screen as well as comments on the *W-7 History* Screen before working the case.

| If CAA inquires regarding...          | And...   | Then...   |
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| Status of their client's application, | <p>It has been <b>less than</b> seven (7) weeks since the application was submitted,</p> <p>It has been <b>more than</b> seven (7) weeks since application was submitted <b>and</b> applicant has not received any notice, research the RTS for status of the application. If research shows application status is Assign (CP 565 A/B),</p> <p><b>NOTE:</b> If application was filed during peak filing season (January 15 through April 30) or from abroad, allow 9-11 weeks.</p> | <p>Advise CAA to allow for normal processing time-frame.</p> <p>Advise CAA that the ITIN has been assigned and they will receive notification of the number by mail. Reissue CP 565 assignment notice, after verifying mailing address, if appropriate.</p> |
|                                       | <p>It has been <b>more than</b> seven (7) weeks and research</p>   | <p>1. Advise CAA that the application is in suspense status and</p>   |

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|  | <p>shows application status is Suspense (CP 566),</p>   | <p>additional information required to continue processing the application. See IRM 3.21.263.4.8.1 for ITIN Suspense Reason Codes.</p> <p><b>CAUTION:</b> If the CAA will not be able to submit the application before the 60 day processing period expires then advise CAA that applicant will need to reapply.</p> <ol style="list-style-type: none"> <li>2. If oral testimony is appropriate, and the CAA can provide the correct information, update ITIN database and assign ITIN. Advise CAA that an assignment letter should be received in 2-3 weeks.</li> <li>3. If oral testimony cannot be applied, then advise CAA to respond to the notice by securing the necessary information from the applicant and mail to the ITIN Operations.</li> </ol> |
|  | <p>It has been <b>more than</b> seven (7) weeks and research shows application status is Reject (CP 567/569),</p> | <ol style="list-style-type: none"> <li>1. Advise CAA that the application has been rejected and the reason for the rejection. See IRM 3.21.263.4.8.2 for ITIN Rejection Codes.</li> <li>2. If applicant still requires an ITIN, advise the CAA to respond to the notice by securing the required information from the applicant, and submitting a new application by mail to the ITIN Operations. If</li> </ol>   |

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|  |  | the information is not received within 45 days of the date of the letter, no ITINs will be assigned and the return will be processed with an IRS temporary identification number (IRSN) unless the primary taxpayer already has an ITIN. |
|  | Research shows application status OFAC   | <p>Advise CAA additional time is needed for processing and to allow 90 days from the date of this contact before inquiring again about the status.</p> <p><b>NOTE:</b> Do <b>NOT</b> advise CAA of OFAC status.</p>                      |
|  | <p>It has been <b>more than</b> seven (7) weeks <b>and</b> research does not show the application in the RTS,</p> <p><b>NOTE:</b> If application was filed during peak filing season (January 15 through April 30) or from abroad, allow 9-11 weeks.</p> | <ol style="list-style-type: none"> <li>1. Advise CAA we show no record of application and to resubmit application. If applicant meets TAS criteria, complete Form 911. Advise the CAA of the TAS referral, IRM 3.21.263.4.10.</li> </ol> |

**IRM 3.21.263.6.1.28(3) revised telling applicant Form W-7 normal processing time is 5-7 (not 4-6) weeks and up to 9-11 weeks (from 10) if filed during peak season or from abroad.**

3. Advise applicant of the time frames for processing the application (normally 5-7 weeks) depending on the time of year and where filed. If the applicant is filing Form W-7 from January 15th to April 30th or from abroad, the time frame could be 9-11 weeks.

**IRM 3.21.263.6.1.34(2) revised Form W-7 processing time from 10 to 9-11 weeks during peak season or if submitted from abroad.**

2. Prepare Form 4442, Inquiry Referral, and forward to SPC ITIN Operation. Refer to Exhibit 3.21.263-50 for required entries on Form 4442.

**REMINDER:** Form W-7 Processing time may take 9-11 weeks during peak periods or if the application is submitted from abroad.

**NOTE:** Form 4442 is no longer required for actions taken on assigned cases (for example, address changes). Route all required documentation to the Files area for association with the original Form W-7. This excludes suspense cases.

**NOTE:** W-7 Applications in Assigned or Rejected Status are maintained in the Files area after initial processing and are **not** Form 4442 criteria. Do not send requests for these forms to the Austin ITIN Unit. Use established procedures (CC ESTAB or Form 2275) to request these directly from Files.

**IRM 3.21.263.7.2(4) revised telling applicant to allow normal Form W-7 processing time of at least 7 (not 6) weeks and 9-11 (not 8-10) weeks if filed during peak season or from abroad.**

4. Use the table below to address applicant inquiries on Form W-7 after submission.

| If ...  | Then ...   |
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| It has been <b>less</b> than seven (7) weeks since the application was submitted,   | Advise applicant of the normal processing time and to call back if they have not received any correspondence pertaining to the application within the time frame provided.<br><br><b>NOTE:</b> If applicant filed during peak filing season (January 15 through April 30) or from abroad, allow 9-11 weeks processing time. If applicant meets TAS criteria, then complete Form 911. See IRM 3.21.263.4.10 Taxpayer Advocate Service Assistance. |
| It has been <b>more</b> than seven (7) weeks since the application was submitted and the status shown on the ITIN RTS is other than | Advise applicant of current ITIN application status.   |

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| <p>OFAC.,</p> <p>Status is OFAC</p> <p><b>NOTE:</b> These cases require special handling</p>  | <ul style="list-style-type: none"> <li>○ Advise the applicant that their application has been received and is currently being processed. Do <b>NOT</b> tell the applicant their account is in OFAC status.</li> <li>○ Advise the applicant that additional time is required to process their ITIN application and to allow 90 days from the date of this contact before inquiring again about the status. Use the W-7 Search screen to determine the date the application was set in OFAC status.</li> <li>○ Verify the applicant's address and request a telephone number with the best time to call if additional information is required to process the application. If the address of record is different than what is on the ITIN RTS, request Form 8822, Change of Address.</li> <li>○ Prepare a Form 4442, Inquiry Referral, as shown in Exhibit 3.21.263-52. In addition to the required entries, complete item 24 Taxpayer's Telephone Number(s). In Section B, write "telephone call from applicant", "date of telephone call", and Form 8822 requested for new address (if applicable). : Fax Form 4442 to SPC ITIN Operation attention "OFAC" status coordinator.</li> </ul> |
| <p>There is no record of the ITIN application on the ITIN RTS,</p> <p><b>NOTE:</b> If applicant filed during peak filing season (January 15 through April 30) or from abroad, allow 9-11 weeks processing time.</p> | <p>Advise applicant we show no record of receipt and to resubmit the ITIN application with the required original or certified (certified by the issuing agency) supporting documentation. See IRM 3.21.263.4.6 for situations when notarized documents are acceptable. Advise the applicant of the option for TAS assistance if you can not provide the relief requested. If applicant meets TAS criteria and you cannot take steps within 24 hours to provide the relief, complete</p>  |

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|  | Form 911. See IRM 3.21.263.4.10, Taxpayer Advocate Service Assistance.  |
| Applicant advises that their original supporting identification documentation has not been returned to them and more than 60 days have passed since applicant mailed the application | <p>Prepare Form 4442 as shown in Exhibit 3.21.263-50. In addition to the required entries, write the following:</p> <ul style="list-style-type: none"> <li>○ "MDR" for Missing Document Request across the top</li> <li>○ Type of missing document (passport, birth certificate, etc.)</li> <li>○ Name as it appears on the document (if different from the Form 4442)</li> </ul> |
| Applicant advises they now have a SSN,   | Research IDRS CC INOLE to verify SSN assignment to taxpayer and if found, initiate merge action. Refer to IRM 3.21.263.7.4.   |

**IRM 3.21.263.7.3(1) revised telling applicant to allow Form W-7 normal processing time of at least 7 (not 6) weeks and 9-11 (not 10) weeks if filed during peak season or from abroad.**

1. Additional research is necessary when researching an ITIN refund inquiry. Research the ITIN database to verify if application and return were received and to verify status of application.

**CAUTION:** Refer to AM guidelines for refund return processing time frames.

| If research indicates                            | And  | Then   |
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| No application or return was received, seven (7) | It has been less than seven (7) weeks since the ITIN application and return were mailed, | Advise applicant to allow 7 weeks for ITIN processing plus the appropriate number of weeks for the return processing. If applicant meets TAS criteria, then complete Form 911. See IRM 3.21.263.4.10 Taxpayer Advocate Service Assistance. |
|  | It has been more than seven (7) weeks since the ITIN application and return were         | Determine if applicant meets TAS criteria. Refer to IRM 3.21.263.4.10, Taxpayer Advocate Service Assistance. If not TAS criteria, advise   |

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|  | <p>mailed,</p> <p><b>NOTE:</b> If applicant filed during peak filing season (January 15th through April 30th) or from abroad, allow 9-11 weeks processing time for the W-7 (plus the appropriate amount of time for return processing.)</p> | <p>applicant they must reapply by taking the following steps:</p> <ul style="list-style-type: none"> <li>○ Complete new Form W-7 application,</li> <li>○ Submit required supporting identification documentation, and</li> </ul> <p><b>REMINDER:</b> Original or certified ID is now required with few instances when notarized ID is acceptable. See IRM 3.21.263.4.6.</p> <ul style="list-style-type: none"> <li>○ Submit a U.S. federal tax return (if required to file a tax return), or</li> <li>○ Provide original substantiating documentation (If they meet an exception).</li> </ul> <p>Advise applicant to mail all information to the SPC ITIN Operation.</p> |
| <p>Application and return were received,</p> | <p>ITIN database shows application was accepted and ITIN assigned,</p>  | <p>Advise applicant to allow additional amount of time appropriate for return processing.</p>  |
|  | <p>ITIN database shows application is suspended,</p>  | <ol style="list-style-type: none"> <li>1. Advise applicant to submit requested information.</li> </ol> <p><b>REMINDER:</b> Original or certified ID is now required with few instances when notarized ID is acceptable. See IRM 3.21.263.4.6</p> <ol style="list-style-type: none"> <li>2. Advise applicant to allow seven (7) weeks from the date the information was mailed for ITIN</li> </ol>  |

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|  |   | processing plus appropriate amount of time for return processing.  |
|  | ITIN database shows application was rejected, | <p>1. Research IDRS to locate assigned IRSN if applicant was the primary or secondary (with self employed income) taxpayer on the return.</p> <p><b>CAUTION:</b> Do not release invalid TIN freeze on an IRSN.</p> <p>2. Advise applicant to allow appropriate amount of time from the date the Form W-7 was rejected for return processing.</p> |