

IRM PROCEDURAL UPDATE

DATE: 04/08/2016

NUMBER: WI-03-0416-0706

SUBJECT: Field 01DPC (Designated Payment Code) Procedures - Correcting Field 01DPC if Blank

AFFECTED IRM(s)/SUBSECTION(s): 3.12.10.3.23

Change(s):

IRM 3.12.10.3.23(3) - Includes revisions to procedures entitled, "Suspense/Rejects Conditions". Per request of SERP Feedback Control #201602360 (entitled, "01 DPC 36"), includes instruction to resolve a field error when Field 01MFT (Master File Tax Account Code) is "35" or "65" and Field 01DPC (Designated Payment Code) is blank. (SERP Feedback Control #201602360)

- Includes new procedures in the table for correcting MFT 35 or MFT 65 transactions when Field 01DPC is blank.
 - Includes new procedures in the table for correcting an MFT 43 transaction when Field 01DPC is blank.
3. The following table describes unique DPC relationships requiring special handling. These Master File Tax Account (MFT) codes require unique conditions to pass validation.

IF . . .	AND . . .	THEN
If the Designated Payment Code in Field 01DPC is NOT listed in the table below,		<p>The Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none">1. Compare the data on the document to 01DPC on the screen.2. Correct any transcription errors. <p>CAUTION: Use no DPCs listed on the table as "systemically applied".</p>

<p>If Field 01DPC is "12" (Cash Bond Credit)</p>	<p>and the Transaction Code (TC) is <u>NOT</u> 640 (Advance Payment)</p>	<p>Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to 01DPC on the screen. 2. Correct any transcription errors. <p>REMINDER: The program requires that a Transaction Code (TC) 640 must be present with DPC 12 ALWAYS.</p>
<p>If Field 01DPC is "13" (Payment in Response to reminder notice, OBRA 1993)</p>	<p>And any of the following criteria are NOT met:</p> <ul style="list-style-type: none"> ○ MFT is 30, AND/OR ○ Tax Period is NOT "199312" through "199411" 	<p>Field 01DPC will "error"</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to Field 01DPC and Field 01TXP on the screen. 2. Correct any transcription errors. 3. If, after comparing Field 01DPC and Field 01TXP on the screen with the document(s), it is determined the entries were transcribed correctly, but, the tax period is invalid, overlay Field 01DPC EITHER with "00" (Designated payment indicator is not present on posting voucher) OR "99" (Miscellaneous payment other than above). <p>REMINDER: If DPC is 13, the MFT <u>must be</u> "30".</p>

<p>If Field 01DPC is "26"</p>	<p>Any of the following conditions are NOT met:</p> <ul style="list-style-type: none"> ○ MFT must be 13, OR MFT must be 55, AND ○ Transaction Code is TC640 (Advance Payment) OR TC670 (Subsequent Payment) 	<p>Field 01DPC will set to "error"</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to Field 01DPC on the screen. 2. Correct any transcription errors. 3. If, after comparing the screen with the document(s), it is determined the entries were transcribed correctly, but, (a) Field 01MFT is NOT 13 or 55, OR, (b) the transaction codes (TCs) are other than TC 640 or TC 670, overlay the screen entry in Field 01DPC with 99. <p>CAUTION: All of the conditions listed in the AND column must be met for Field 01DPC (containing a DPC 29) to pass validation. According to the program, DPC 29 is valid for use ONLY with MFT 13 or MFT 55.</p>
<p>If Field 01DPC is "31"</p>	<p>Field 01MFT is NOT "31"</p>	<p>Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to Field 01DPC on the screen. 2. Correct any transcription errors. 3. If, after comparing the entries, it is determined the entries in Field 01DPC and/or

		<p>Field 01MFT were transcribed correctly, but either field does not contain 31, overlay the screen entry in Field 01DPC with 99.</p> <p>NOTE: DPC 31 is valid for use ONLY with MFT 31.</p>
<p>If Field 01DPC is "36"</p>	<ul style="list-style-type: none"> ○ MFT must be 35, OR ○ MFT must be 65, AND ○ Transaction Code must be EITHER TC 640 or TC 670 or TC 680 or TC 690 or TC 694 	<p>If all of these conditions in the "AND" column are met, the transaction will pass validation and will post to the taxpayer's account.</p> <p>Otherwise, Field 01DPC will set to "error"</p> <p>NOTE: DPC 36 is valid for use ONLY with MFT 35 or MFT 65. Although other transaction codes are valid for use with MFT 35 and/or MFT 65, they are not valid for use with the DPC 36.</p>
<p>If Field 01DPC is "36"</p>	<p>Field 01MFT is NOT MFT 35 or MFT 65</p>	<p>Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to Field 01DPC on the screen' 2. Correct any transcription errors. 3. If, after comparing the screen and the document, it is determined the entries on the screen were transcribed correctly, but the MFT on the

		<p>document is other than MFT 35 or MFT 65, determine whether another DPC is appropriate. (see "Reminder" note below).</p> <p>4. Overlay Field 01DPC with the appropriate DPC. (See also "Caution" note below.)</p> <p>REMINDER: DPC 36 is valid for use with no MFTs other than MFT 35 and MFT 65.</p> <p>CAUTION: Only DPCs 03 or 09 or 10 or 14 or 24 or 33 or 34 or 35 or 36 or 99 or 00 are valid for use with MFT 35 or MFT 65.</p>
If Field 01DPC is "36"	the MFT is MFT 35 or MFT 65, BUT, the Transaction Code (TC) is OTHER THAN TC 640 or TC 670 or TC 680 or TC 690 or TC 694	<p>The DPC 36 cannot be use with transaction codes OTHER THAN TC 640, TC 670, TC 680, TC 690, or TC 694</p> <p>To Correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to Field 01DPC and the transaction code on the screen. 2. Correct any transaction errors. 3. If, after comparing the screen and the document, it is determined the entries on the screen were transcribed correctly, and the MFT on the document is other than MFT 35 or MFT 65, determine whether

		<p>another DPC is appropriate. (see "Reminder" below).</p> <p>4. Overlay Field 01DPC with the appropriate DPC.</p> <p>REMINDER: DPC 36 can be used ONLY with MFT 35 or MFT 65.</p> <p>EXCEPTION: Also, only DPCs 03 or 09 or 10 or 14 or 24 or 33 or 34 or 35 or 36 or 99 or 00 are valid for use with MFT 35 or MFT 65.</p> <p>CAUTION: NEVER use Enforcement Code DPCs with MFT 35 or MFT 65. Enforcement Code DPCs (i.e., DPC 05 through 07, 16, 18 through 23, 30 and 32 (also referred to as "liens" or "levies") are prohibited by law for use with Shared Responsibility Payments (SRPs) and are NOT valid for use with MFT 35 and/or MFT 65.</p>
If Field 01DPC is blank	the MFT is MFT 35 or MFT 65, AND, the Transaction Code (TC) is TC 640 or TC 670 or TC 680 or TC 690 or TC 694	Enter "36" into Field 01DPC.
If Field 01DPC is blank	the MFT is MFT 35 or MFT 65, BUT, the Transaction Code (TC) is OTHER THAN TC 640 or TC 670 or TC 680 or TC 690 or TC 694	<p>The DPC 36 cannot be use with transaction codes OTHER THAN TC 640, TC 670, TC 680, TC 690, or TC 694</p> <p>To Correct:</p> <p>1. Compare the data on the document to Field 01DPC and the transaction code on</p>

		<p>the screen.</p> <ol style="list-style-type: none"> 2. Correct any transaction errors. 3. If, after comparing the screen and the document, it is determined the entries on the screen were transcribed correctly, and the MFT on the document is other than MFT 35 or MFT 65, determine whether another DPC is appropriate. (see "Reminder" below). 4. Overlay Field 01DPC with the appropriate DPC. <p>REMINDER: DPC 36 can be used ONLY with MFT 35 or MFT 65.</p> <p>EXCEPTION: Only DPCs 03 or 09 or 10 or 14 or 24 or 33 or 34 or 35 or 36 or 99 or 00 are valid for use with MFT 35 or MFT 65.</p> <p>CAUTION: NEVER use Enforcement Code DPCs with MFT 35 or MFT 65. Enforcement Code DPCs (i.e., DPC 05 through 07, 16, 18 through 23, 30 and 32 (also referred to as "liens" or "levies") are prohibited by law for use with Shared Responsibility Payments (SRPs) and are NOT valid for use with MFT 35 and/or MFT 65.</p>
If Field 01DPC is "43"	<ul style="list-style-type: none"> ○ MFT must be 43, AND ○ Transaction Code 	<p>If these conditions in the "AND" column are met, the transaction will pass validation and will post to the</p>

	must be TC 640	<p>taxpayer's account.</p> <p>Otherwise, Field 01DPC will set to "error"</p> <p>NOTE: DPC 43 Is valid for use ONLY with MFT 43. Although other transaction codes are valid for use with MFT 43, they are not valid for use with the DPC 43.</p>
If Field 01DPC is "43"	Field 01MFT is NOT MFT 43	<p>Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to Field 01DPC on the screen' 2. Correct any transcription errors. 3. If, after comparing the screen and the document, it is determined the entries on the screen were transcribed correctly, but the MFT on the document is other than MFT 43, determine whether another DPC is appropriate. (see the DPCs in the Table below). 4. Overlay Field 01DPC with the appropriate DPC from the DPC table below. 5. If you cannot determine an appropriate DPC from the list of DPCs in the table, overlay Field 01DPC EITHER with "00" (Designated payment indicator is not present on posting

		<p>voucher) OR "99" (Miscellaneous payment other than above).</p> <p>REMINDER: DPC 43 is valid for use with no MFTs other than MFT 43.</p>
<p>If Field 01DPC is "43"</p>	<p>The transaction code is other than TC 640</p>	<p>Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to the data on the screen. 2. Correct any transcription errors. 3. If after comparing the screen and the document(s), it is determined the entries on the screen were transcribed correctly, determine whether any other DPC in the table is appropriate for use with this MFT/transaction. 4. If no other DPC is determined appropriate, overlay Field 01DPC with "99" or "00".
<p>If Field 01DPC is "43"</p>	<p>The MFT is other than MFT 43</p>	<p>Field 01DPC will set to "error".</p> <p>To correct:</p> <ol style="list-style-type: none"> 1. Compare the data on the document to the data on the screen. 2. Correct any transcription errors. 3. If after comparing the screen and the

		<p>document(s), it is determined the entries on the screen were transcribed correctly, determine whether any other DPC in the table is appropriate for use with this MFT/transaction.</p> <p>4. If no other DPC is determined appropriate, overlay Field 01DPC with "99" or "00".</p>
If Field 01DPC is blank	Field 01MFT is MFT 43 and the Transaction Code is a TC-640	Enter "43" into Field 01DPC.