

IRM PROCEDURAL UPDATE

DATE: 03/11/2016

NUMBER: WI-21-0316-0507

SUBJECT: Cases Worked Where Received; Time Frame; Referral Guidance; Time Frame for Posting Expired Check; OOPS Status 04

AFFECTED IRM(s)/SUBSECTION(s): 21.4.2

CHANGE(s):

IRM 21.4.2.4(1) a) - Refund cases should be worked where received with exceptions.

1. The procedures for processing a refund trace request are the same for telephone, Taxpayer Assistance Centers, or written inquiries.
 - a. Except for the condition in (2) below, refund trace cases should be worked at the campus Refund Inquiry team where it was received. When necessary, TAC and remote sites should refer cases to their affiliated Refund Inquiry team.
 - b. If the refund is less than one year old, input of the CC CHKCL is required to begin the refund trace. See Exhibit 21.4.2-1, *Command Code (CC) CHKCL Input*.
 - c. Beginning October 1, 2004, Limited Payability refunds over one year old no longer must be worked by the issuing center. Refunds over one year old must be processed by a Refund Inquiry Unit, because they **do not meet oral statement criteria**. Send taxpayer a Form 3911, *Taxpayer Statement Regarding Refund*, with a return envelope of your affiliated Refund Inquiry Unit. **DO NOT** input **CC CHKCL**. Advise the taxpayer they can either mail or fax their request. Provide the fax number and address of your affiliated Refund Inquiry function. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab. Refund Inquiry employees see IRM 21.4.2.4.7, *Limited Payability (LP) Rules*.

IRM 21.4.2.4.1(1) d) - Changed time frame from 30 days to 6 weeks.

1. If the contact does not meet oral statement criteria:
 - a. If the refund time frame prescribed in IRM 21.4.1.3.4, *Refund Issued But Lost, Stolen, Destroyed or Not Received*, has been met, send taxpayer a Form 3911, *Taxpayer Statement Regarding Refund*. Use of the IAT Missing Refund (CHKCL) tool is mandatory when sending the

Form 3911 to the taxpayer. Be sure to verify the taxpayer's mailing address. If taxpayer has moved since filing their return and their current address is not on record (CC ENMOD), send Form 3911, or follow procedure in "b)" below. DO NOT UPDATE ADDRESS ON CC ENMOD unless the taxpayer meets oral statement criteria. See IRM 3.13.5.27, *Oral Statement/Telephone Contact Address Change Requirements*.

CAUTION: Do not initiate a refund trace over the phone if there is IDT involvement on the module. When providing a pre-populated Form 3911, *Taxpayer Statement Regarding Refund*, verify all information is for the correct taxpayer. See IRM 25.23.4.4.1, *Telephone/Paper Inquiries Regarding MXEN, MXSP, IDT(X), IDS(X), and Scrambled Cases*, for additional information.

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- b. Advise the taxpayer that Form 3911 is available through the internet on irs.gov. See IRM 21.3.6.4.2, *Other Methods of Obtaining Forms and Publications*.
- c. Advise taxpayers they must sign the Form 3911. If joint return, both taxpayers must sign, unless one of the taxpayers is deceased.
- d. Advise taxpayer they can either mail or fax their request. Provide the address and fax number of your servicing Refund Inquiry function. Advise the taxpayer they will be contacted within 6 weeks of the date they return the Form 3911. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab.
- e. Using the Integrated Automation Technologies (IAT) Missing Refund (CHKCL) tool or Account Management Services (AMS), input the following history item on the account - "H,39112TP. "
- f. If forwarding the Form 3911 to another campus with an open Refund Inquiry Unit control, create a history item stating - 39112SC - using command code (CC) ACTON.

IRM 21.4.2.4.4(1) Table - 4th "Then" box (3) - Revised referral guidance.

1. The taxpayer may subsequently inquire after initiation of a refund trace on their missing refund check or non-receipt of a direct deposit refund. Use the following table in your attempt to resolve the taxpayer's issues.

If	Then
Taxpayer calls to check the status of his/her case.	<ol style="list-style-type: none"> 1. Research IDRS to determine the Disposition Code of the claim. 2. CSR should only refer case to the tax examiner with control if after complete research, he/she cannot answer the taxpayer's inquiry.
Taxpayer finds his/her refund after Form 3911, <i>Taxpayer Statement Regarding Refund</i> , was sent, or a refund trace was initiated per oral statement authority.	<p>Check the Disposition and Status Codes to determine if the taxpayer can cash the check. See Exhibit 21.4.2-2, <i>Disposition Code Chart Non-Receipt Claims CHKCL Claims Only</i>.</p> <p>NOTE: A refund trace cannot be interrupted if the campus deadline to "DQ" the trace has passed. Per IRM 2.4.23.1(5), <i>General Overview for Command Code CHKCL/CHKCLR</i>, CC TERUPC can only be done on the same day of input. If it is too late to cancel the trace and the trace was valid, advise the taxpayer to wait for a replacement check and return the original when the replacement is received.</p>
More than three weeks from the History item "3911TORDCC".	<ol style="list-style-type: none"> 1. Advise taxpayer you are checking the status of their claim. 2. Advise taxpayer he/she will receive a contact within 30 days. 3. Prepare an e-4442, <i>Inquiry Referral</i>, and send to the responsible Refund Inquiry function.
Six weeks after taxpayer sends Form 3911, <i>Taxpayer Statement Regarding Refund</i> , or a refund trace was initiated per oral statement authority.	<ol style="list-style-type: none"> 1. Research IDRS for the claim status. 2. Determine the latest disposition or status code. Frequently used disposition and status codes are described in Exhibit 21.4.2-5, <i>Disposition and Status Codes - Additional Action Time Frames</i>. 3. If you are an assistor at a call site or a TAC office, and you cannot

	resolve the taxpayer's inquiry, you may need to refer (FAX) the case to the Refund Inquiry Unit which either now controls a case, or to your affiliated RI unit if there is no current control base. Advise the taxpayer to expect a response within 15 days .
Taxpayer received Form FMS 1133 and check was cashed by someone other than the taxpayer.	Advise the taxpayer to complete the claim form (Form FMS 1133) and return it to BFS (Formerly FMS) to pursue the claim.
Taxpayer received Form FMS 1133 and does not wish to pursue the claim.	Advise the taxpayer no further action is required. Taxpayer may keep the copy of the check for personal records.
Taxpayer finds the original check and also receives a replacement.	Advise the taxpayer to return the original as soon as possible. See IRM 21.4.3.4.4, <i>Returned Refund Check Procedures</i> , for information. Input a History Item on CC TXMOD:H:CHKFOUND.

IRM 21.4.2.4.7(9) - Revised the time frame for posting of an expired check.

9. If BFS records show the refund check is still outstanding on the 15th day of the 14th month, then BFS will cancel the refund and return the credit to IRS which will post in approximately the third week of the 15th month after issuance. It will post on the tax module as a TC 740 with blocking series 66666. See IRM 21.4.2.4.7.2, *Limited Payability Computer Paragraph (CP) 32/237*.

NOTE: The Limited Payability limitations do not apply to direct deposit traces. Use Non-Receipt code N on all direct deposit traces using CC CHKCL, regardless of the age of the refund.

Exhibit 21.4.2-2 - Added information regarding OOPS status 04.

The Disposition Code can be located in the Activity Field of the IDRS Control History. The Disposition Code is displayed as the first 2 digits of the Activity Code followed by the date BFS (formerly FMS) provided the Disposition in YYYYMMDD format (i.e., 0120130324 = Disposition 01 provided by BFS on March 24, 2013).

NOTE: Additional category code information can be found in, Exhibit 21.4.2-6, *Category Codes*.

NOTE: Additional disposition code 11 information can be found in IRM 21.4.2.4.4.1, *Subsequent Inquiries, With Status Codes, Without Prior Forgery Determination*

(CSR's and Refund Inquiry Unit), and Exhibit 21.4.2-5, *Disposition and Status Codes - Additional Action Time Frames.*

DISPOSITION STATUS CODE	CATEGORY CODE	DEFINITION	FOLLOW UP ACTION
01	ACKN	Claim processed by RFC to Treasury Check Information System (TCIS).	<ol style="list-style-type: none"> 1. Wait 30 days for second status. 2. No reply, resubmit CC CHKCL.
03	OOPS	Rejected (Failed preliminary validity checks.)	<ol style="list-style-type: none"> 1. Pull case. 2. Resubmit CC CHKCL.
04	OOPS	<ol style="list-style-type: none"> 1. Previously processed as Available Check Cancellation (ACC), 2. Refund credit returned by RFC, through the Electronic Funds Transfer (EFT) from the bank, 3. Refund check intercepted, 4. Undeliverable TC 740. 5. If the refund credit has already generated a subsequent TC 846 in the same month. don't input CC CHKCL as the refund trace will default to the first TC 846. See IRM 21.4.1.3.3, <i>Multiple Refunds Issued From the Same Module in</i> 	<ol style="list-style-type: none"> 1) - 4) Take action to release credit, if necessary. 5) Initiate the refund trace through the Treasury Check Information System (TCIS).

		<i>the Same Cycle.</i>	
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