

## IRM PROCEDURAL UPDATE

DATE: 10/09/2015

NUMBER: WI-21-1015-1501

SUBJECT: Spanish Assistance at Bureau of Fiscal Services (BFS); CC CHKCL for BMF; Link to Direct Deposit Reject Codes

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

CHANGE(s):

**IRM 21.4.2.4.4.1(1) a) - Added Spanish speaking assistance is available at the BFS toll free number.**

1. If a subsequent claim has been initiated, AND CC CHKCL was input, THEN complete the following:
  - a. If the Disposition Code "11" is on IDRS, provide the check information (check and serial numbers) using CC IMFOL# and have the taxpayer contact the BFS (formerly FMS). They can be reached by phone at (800) 826-9434 between the hours of 6:00 AM and 6:00 PM ET and advise the taxpayer that they offer English and Spanish speaking assistance.  
If the taxpayer prefers they can send a letter to BFS at:

Department of Treasury  
Bureau of the Fiscal Service  
Check Claims Branch  
P.O. Box 515  
Philadelphia, PA 19106

**NOTE:** Do not provide the phone number and address of BFS's Check Claims Branch to taxpayers who received a direct deposit refund. The Check Claims Branch deals only with paper checks and cannot provide assistance with direct deposit refunds.

- b. If you cannot determine the Disposition Code (history has fallen off of IDRS), a TC 971 AC 011 is on the module and the refund does not meet Limited Payability criteria, provide the check information (check and serial numbers) using CC IMFOL# and refer the taxpayer to BFS per paragraph (1) (a) above.
  - c. Close the case.

**IRM 21.4.2.4.12(2) - Added Spanish speaking assistance is available at the BFS toll free number.**

2. If the taxpayer calls to check on the status of Form FMS 1133 after it has been returned to the BFS Check Claims Branch, advise them they must personally contact the Branch at the toll-free number (800) 826-9434 (English and Spanish speaking assistance is available at this number). Provide the taxpayer with the check symbol and number. Use IMFOL# to find the check symbol and number.

**Exhibit 21.4.2-1(2) e) - Add "business" to the type of return for CC CHKCL.**

2. Assistors are authorized to input CC CHKCL based on an oral statement from the taxpayer if **all** the following conditions are met:
  - a. Check was scheduled for mail out 4 weeks prior to taxpayer's contact or their direct deposit was issued at least 5 calendar days prior to contact. Use the table below to determine the check mail out date or the direct deposit date. Input immediately if taxpayer states the check was received but lost, stolen or destroyed.

<b>Refund issued as</b>	<b>Determine date issued</b>
IMF paper check	For current year and all prior year IMF returns, the issue/mailing date is found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE:", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".
IMF direct deposit	For all current and prior year IMF returns, the deposit date is found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE:", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".
Accelerated Cycle as a check prior to January 1, 2012	See dates in Item 10 listed below.
BMF paper check	BMF, the issue date is one day after the TC 846 date.
BMF direct deposit	BMF, the deposit date is six days before the TC 846 date.

- b. If the taxpayer does not meet oral statement criteria, Form 3911, *Taxpayer Statement Regarding Refund*, can be mailed to the taxpayer with a return envelope of your servicing Refund Inquiry function, or 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*. Advise taxpayer they can either mail or fax their request. Provide the address and fax number of your servicing Refund Inquiry function. For addresses and fax

- numbers, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab.
- c. TC 846 refund date must be 12 months or less from current date.
- d. Valid TIN.

**NOTE:** If the return has been re-sequenced, CC CHKCL must be entered on the original TIN the refund was issued on.

- e. Tax return filed can be an individual or business tax return.
- f. Taxpayer resides at the address currently on record (CC ENMOD). If taxpayer resides at a different address, DO NOT change the address unless the taxpayer meets oral statement criteria for an address change. See IRM 3.13.5.28, *Address Changes from Oral Statements/Telephone Contact*, for guidance. If you **can** update the address per oral statement, input CC CHKCL using the new address to begin the refund trace. If the taxpayer does not meet oral statement criteria, DO NOT input CC CHKCL. Advise the taxpayer you are mailing them a Form 3911, *Taxpayer Statement Regarding Refund*, to complete and sign, or 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 Publication*. Advise the taxpayer they can either mail or fax their form back to the IRS. If the taxpayer prefers to mail the form, enclose an envelope with your affiliated Refund Inquiry Unit address. If the taxpayer prefers to fax the form, provide the fax number of your affiliated Refund Inquiry function. For addresses and fax numbers, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab. If Married Filing Joint, advise taxpayer both spouses must sign.

**NOTE:** Form 3911 can be used as written documentation to change a taxpayer's address. Upon receipt of Form 3911, update the address and input CC CHKCL. However, if the refund check was returned undelivered by the Postal Service, do not input CC CHKCL. See IRM 21.4.3.4.3, *Undeliverable Refund Checks*.

**REMINDER:** Advise taxpayer the Form 3911 is available through the internet on irs.gov. See IRM 21.3.6.4.2, *Other Methods of Obtaining Forms and Publications*.

- g. If TC 840, send taxpayer a Form 3911 with issuing campus return envelope.
- h. Not a mixed entity account.
- i. Not a full TOP offset matching the TC 846 amount. If TC 898 matches the TC 846 this is a full TOP offset. See IRM 21.4.6, *Refund Offset, TOP procedures*.
- j. No TC 740, TC 841 or TC 843 matching the TC 846 in question. If freeze codes are present, follow freeze release procedures.
- k. No TC 971 AC 011 (indicates previous trace) posted after the TC 846 date. See IRM 21.4.2.4.4, *Responding to Taxpayers Subsequent Inquiries*.

**Exhibit 21.4.2-3 - Added a link to IRM 21.4.1.4.8.1 regarding direct deposit reject reason codes.**

The "Reason for Cancellation Code" associated with TC 740, TC 841 and TC 843 credits determines what block and serial number will be used to post the credit back on the account, and determines whether or not a freeze will be set on the module.

**NOTE:** Additional direct deposit reject reason codes can be found in IRM 21.4.1.4.8.1, *Direct Deposit Reject Reason Codes*.

CODE	DESCRIPTION	T/C	BLOCK and SERIAL NUMBER
<b>01</b>	Intercepted checks, "P-" Freeze set.	841	55555
<b>02</b>	Undeliverable checks, "S-" Freeze set.	740	99999
<b>03</b>	Returned checks, "P-" Freeze set  (Other than Intercepted or Undeliverable).	841	99999
<b>08</b>	Unavailable check cancellation credit (Credit returned on outstanding check as a result of check claim).  (CHKCL/STATUS-32) "P-" Freeze set.	841	88899
<b>09</b>	Unavailable check cancellation credit  (Credit returned on outstanding check as a result of check claim).	841	88888
<b>09</b>	Reclamation	841	88000
<b>09</b>	Payment Over Cancellation (POC).	843	55111
<b>40</b>	Limited Payability (LP) expired check credit, "S-" freeze set (1992 only).	740	666XX
<b>40</b>	Limited Payability (LP) expired check credit.	740	66666
<b>NA</b>	If CADE sends a module back to IMF in the same cycle as the refund generation, it will post as a TC 841 in blocking series 99998. This means the refund did not actually generate.	841	99998
Reason for Cancellation Code will appear as "RC" on SF 1098, <i>Schedule of Canceled Checks</i> . See IRM 3.17.79.10.1, <i>Treasury Checks Returned to the Submission Processing Center and Regional Financial Center</i> , for an example of the form.			

**Exhibit 21.4.2-5 Table - Added Spanish speaking assistance is available at the BFS toll free number.**

(1) 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.

<b>Code</b>	<b>Definition</b>	<b>Actions and Time Frames</b>
<b>01</b>	RFC has requested the status of check from the Financial Processing Division.	If there is no indication the check was cashed and <b>no action after 28 days from the status 01 date</b> , send an e-4442, <i>Inquiry Referral</i> , to the Accounts Management Center Refund Inquiry function.
<b>04</b>	Claim was previously processed as an available check cancellation. Check was sent, but returned as undeliverable or cancelled.	Taxpayer should receive <b>check within six weeks</b> .
<b>07</b>	Unprocessable claim.	If no other action indicated: <ol style="list-style-type: none"> <li>Send an e-4442, <i>Inquiry Referral</i> to the campus.</li> <li>Advise taxpayer he/she will be <b>contacted within 30 days</b>.</li> </ol>
<b>08</b>	<b>For Direct Deposit Refunds</b> - No response from the Direct Deposit designated financial institution. The subsequent CC CHKCL input generates an FMS 150.1 to the bank. Input when the taxpayer indicates that they have not received the requested information from the initial trace. Verify taxpayer has NOT received the FMS 150.1.	<ol style="list-style-type: none"> <li>If the taxpayer has not received FMS 150.1 and TC 841 is not present send an e-4442, <i>Inquiry Referral</i>, to the Accounts Management Center Refund Inquiry function.</li> <li>If the taxpayer has not received FMS 150.1 and a TC 841 is posted, advise taxpayer of refund reissue or other disposition of credit.</li> </ol>
<b>09</b>	<b>For Direct Deposit Refunds</b> - The RFC contacts the financial institution via 150.1 to trace the refund and to advise their customer about the direct deposit. Copies of	<ol style="list-style-type: none"> <li>If no TC 841 is present, and it has been at least 6 weeks from the date the trace was initiated, send an e-4442, <i>Inquiry Referral</i>, to the Accounts</li> </ol>

	the results are sent to taxpayer and RFC. RFC will usually forward a copy to IRS.	Management Center Refund Inquiry function. 2. If it has not been at least 6 weeks, advise the taxpayer to call back after this time frame has elapsed. 3. If TC 841 is posted, advise taxpayer of refund reissue or other disposition of credit.
<b>11</b>	Check has been cashed. The taxpayer must contact the BFS Check Claims Branch at the toll-free number <b>(800) 826-9434</b> (English and Spanish speaking assistance is available on the Check Claims toll free number). The TP needs to inquire about the status of the Form FMS 1133, after it has been returned to the Bureau of Check Claims.	Provide the taxpayer with check number, symbol and refund date, all are available on IMFOL#. <ul style="list-style-type: none"><li>○ Taxpayer will receive a copy of the cancelled check and Form FMS 1133 <b>within 30 days of the Status "11" date.</b></li><li>○ If the taxpayer is in receipt of the Form FMS 1133, advise them to complete and return the form to BFS along with a copy of the cancelled check. <b>Allow 90 days</b> for processing.</li></ul>
<b>27</b>	Check was previously processed as Limited Payability Check Cancellation. Check was issued but was not cashed within one year from the date of issue. The refund credit (TC 740) was returned by the RFC.	Taxpayer should receive <b>check within six weeks.</b>
<b>32</b>	Check cancelled - new check to be issued.	Taxpayer should receive <b>refund within 4 weeks.</b>
<b>65</b>	TOP offset of refund. The initial disposition code indicates the refund was associated with a "TOP	Review the taxpayer's account to determine if refund was offset in full. Explain the offset to the taxpayer and have them contact

	offset". Subsequent disposition codes will follow.	BFS or the creditor agency per IRM 21.4.6, <i>Refund Offset</i> .
<b>71</b>	Full TOP offset.	Advise the taxpayer to contact BFS TOP Call Center. See IRM 21.4.6, <i>Refund Offset</i> , for more information.
<b>72</b>	TOP offset - Unavailable Check Cancellation (UCC). This code is passed for non-receipt claims when only the amount of the partial payment issued as a result of an offset being returned.	The offset is not reversed. Generates a TC 841 and is the equivalent of a "9" which generates a "Block 88888 "