

IRM PROCEDURAL UPDATE

DATE: 10/09/2015

NUMBER: WI-21-1015-1503

SUBJECT: Taxpayer Advocate Service (TAS) Consideration; Married Filing Joint Time Frame; Credit Elect Reversal; CP53D Link; Mailing Returned Refunds; RAL Bank

AFFECTED IRM(s)/SUBSECTION(s): 21.4.1

CHANGE(s):

IRM 21.4.1.3(2) last Note - Corrected the link to IRM 25.23.4.4.1.

2. Use the following table to determine if the processing time frame has been met.

NOTE: These time frames reflect the normal processing time frames. These may be temporarily extended via Servicewide Electronic Research Program (SERP) Alerts due to processing issues.

Return Type	Processing Time Frame
Paper refund return	<ul style="list-style-type: none">o 6 weeks for normal processingo For returns claiming the Adoption Credit, if returns are selected for Exam, the time frame is approximately 14 weeks. If after 8 weeks research indicates the return was selected, inform the taxpayer that the return was selected for further review and that we will either contact them, or the refund/credit will be issued within the 14 week period.o For Injured Spouse returns see IRM 21.4.6.5.2, <i>Injured Spouse Inquiries</i>, for additional information.
e-file refund return	<ul style="list-style-type: none">o 3 weeks (from the date the taxpayer received acknowledgement that the return was accepted by IRS)o Refund research may begin on the 21st day
1040X return (see (7) below for amended return information)	up to 12 weeks

through IRS automation)	
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NOTE: If taxpayer filed a Form W-7, *Application for IRS Individual Taxpayer Identification Number*, with their return, see IRM 3.21.263.7.2, *Inquiries Regarding Status of Application*.

NOTE: Customer Account Data Engine (CADE) will have little impact on processing time frames. Use the above chart for all returns processed through CADE.

REMINDER: If the account has a transaction code (TC) 971, action code (AC) 052 posted, normal processing time will increase by two cycles as this action causes the return to re-sequence for two cycles. If the account has a TC 971, AC 152 posted, normal processing time will increase by one cycle as this action causes the return to re-sequence for one cycle. If the taxpayer asks why the processing time was increased tell them the return was randomly selected for additional review. Do not mention IVO (previously AMTAP), CI, etc.

NOTE: #



NOTE: **Do not** initiate a refund trace over the phone if there is IDT involvement on the module. When providing a pre-populated Form 3911, 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.

IRM 21.4.1.3.1.2.4(4) - Added a link to IRM 13.1.7.3 regarding TAS referrals.

4. If the case remains open in ERS and no apparent actions have been taken to resolve the taxpayer's inquiry, or the taxpayer is experiencing a financial hardship, refer to IRM 21.1.3.18, *Taxpayer Advocate Service (TAS) Guidelines*, and IRM 13.1.7.3, *Exceptions to Taxpayer Advocate Service Criteria*, before referring to TAS.

IRM 21.4.1.3.2(3) Table - Removed the reference to married filing joint call-back in 2 weeks.

3. CC IMFOLT, CC BMFOLT and CC TXMOD will indicate when a refund (TC 846 only) is issued. For IMF accounts, the indicator **DD:0** (paper check) or **DD:9** (direct deposit) will appear near the right margin either on the same line as the TC 846 or the next line down. If the taxpayer requests their refund be deposited into more than one account, each deposit will reflect a TC 846 with a split refund indicator of 1, 2, or 3. If the taxpayer requests only one direct deposit or a paper check, the indicator will be 0. Below is an explanation of the indicators:

- o 0 - One direct deposit refund or paper check
- o 1 - First refund of multiple refunds
- o 2 - Second refund of multiple refunds
- o 3 - Third refund of multiple refunds

Using the following table, determine when the refund was or will be issued and advise taxpayer. For additional information on CADE/CADE 2 processing, see paragraph 4 and 5 below.

NOTE: Refer to the chart in Exhibit 21.4.2-1 (10), *Command Code (CC) "CHKCL" INPUT*, if the refund was issued during an accelerated cycle.

If	And	Then advise taxpayer
Paper check	Return information found via CC IMFOLT, CC BMFOLT, CC TXMOD or CC REINF	<p>The issue date of the refund.</p> <ul style="list-style-type: none"> o For current year and all prior year IMF returns, the issue/mailing date is found on CC IMFOLT on line below the TC 846 as "RFND-PAY-DATE:", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>". o Business Master File (BMF), the issue date is one day after the TC 846 date. o Manual refund, the taxpayer should receive the refund within 10 calendar days from the RFND-PAY-DATE on CC IMFOLT or the RFND-PYMT-DT on CC TXMOD. <p>NOTE: If the taxpayer asks how long it will take to receive their refund, advise the taxpayer to call back when four weeks from the mailing date has passed.</p> <p>NOTE: If the issue date falls on a legal, federal holiday, the refund will</p>

		be issued on the day before the holiday.
Electronic Funds Transfer (EFT) direct deposit	Return information found on CC IMFOBT or CC TXMOD	<p>Deposit date of refund.</p> <ul style="list-style-type: none"> ○ 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>". ○ Business Master File (BMF), the deposit date is six days before the TC 846 date. <p>NOTE: If the issue date falls on a legal, federal holiday, EFT refunds are dated on the holiday, but dependent on the financial institution, may not be credited until the following day.</p>
EFT/direct deposit	Return information found on CC "REINF" (Generated Refund Check Scheduled)	Deposit date "REF CHK SCHEDULED" date.

IRM 21.4.1.3.4(2) Table - Combined the first 2 boxes and changed 2 weeks to 4 weeks; removed the reference to married filing joint call-back in 2 weeks.

2. If research shows a refund has been generated and the taxpayer states he did not receive the check, use the following "If-And-Then" table to assist in resolving the issue:

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, verify all information is for the correct taxpayer. See IRM 21.6.2.4.2.1(4), *Telephone Inquiries Regarding MXEN, MXSP, IDT1, IDS1, IDT3, IDT6, IDS6, IDT8, IDTS8, IDT9, IDS9, and Scrambled Cases*, for additional information.

CAUTION: Do not initiate a refund trace over the phone if there is IVO involvement on the module. When providing a pre-populated Form 3911, verify all information is for the correct taxpayer. See IRM 21.5.6.4.35.3, *-R freeze Modules With Integrity Verification Operation (IVO) or Taxpayer Protection Program (TPP) Involvement*, for additional information.

NOTE: Many U.S. Post Offices will forward the refund check if the taxpayer has a forwarding address on file with the local post office. If this is the case, advise the taxpayer to allow 2 additional weeks from the IDRS refund payment date for receipt of the check. If the check is not received by the end of those 2 weeks, follow normal refund trace procedures.

If taxpayer states he/she did not receive a refund	And the date is	Then
TC 846 is present on the module and a paper check was issued	Less than four weeks from the mailing date which 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>".	<ul style="list-style-type: none"> ○ Advise taxpayer to call back when four weeks from the mailing date have passed.
TC 846 is present on the module and a paper check was issued	More than four weeks since the mailing date which 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>".	See IRM 21.4.2, <i>Refund Trace and Limited Payability</i> .
TC 846 is present on the module and the refund is a direct deposit (DD)	At least five calendar days since scheduled DD	Verify the routing transit number (RTN) or numbers if the deposit is a split refund, see IRM

	<p>date</p> <p>NOTE: The scheduled date of a DD 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></p>	<p>21.4.1.4.7.1, <i>Direct Deposit of Refunds</i>.</p> <p>Initiate refund trace per IRM 21.4.2, <i>Refund Trace and Limited Payability</i>, if appropriate.</p>
TC 846 is present on the module and the refund is a DD	The caller states they were told by their bank that their refund was returned to the IRS.	<ul style="list-style-type: none"> ○ Follow the IF and THEN chart in IRM 25.25.8.4, <i>Responding to Taxpayer Inquiries</i>, or ○ If the conditions in IRM 25.25.8.4, do not exist, follow IRM 21.4.1.4.7.1, <i>Direct Deposit Refunds</i>.
TC 840 manual refund NOTE: If TC 840 carries a blocking series and serial number 9XXXX series with a Julian date less than 400, it is a "Dummy TC 840" and no actual check has been issued. Research for the SSN where the refund was issued.	10 calendar days from the "RFND-PAY-DATE" on CC IMFOLT or the "RFND-PYMT-DT" on CC TXMOD, either of which is located below the TC 840	Advise the taxpayer to file Form 3911, <i>Taxpayer Statement Regarding Refund</i> . See IRM 21.4.2.4.1, <i>Form 3911, Taxpayer Statement Regarding Refund</i> , for additional guidance regarding Form 3911. See exception below for taxpayers located in a disaster area.
TC 740 Undelivered Refund		See IRM 21.4.3, <i>Returned Refunds/Releases</i> , for resolving undelivered refunds.
TC 841 Returned/Stopped Refund		<ol style="list-style-type: none"> 1. Determine cause of the refund stop 2. Attempt to resolve

		<p>3. issue</p> <p>3. See IRM 21.5.6, <i>Freeze Codes</i> for resolving freeze releases.</p> <p>NOTE: Refer to Exhibit 21.4.2-3, <i>Reason for Cancellation Codes and Generated Account Information</i>, to determine the cause of refund cancellation.</p>
TC 898/899 TOP Offset		See IRM 21.4.6.5.1, <i>Taxpayer Inquiries on TOP Offset</i> .
TC 960 is posted and a refund has been issued		<ul style="list-style-type: none"> o Research CC CFINK for receipt code "R" and advise the taxpayer to check with the POA of record for receipt of the refund check. o If the taxpayer has already asked the POA, follow the appropriate guidance above.

NOTE: If the taxpayer alleges preparer misconduct as the reason for non-receipt of the refund, see IRM 25.24.1.4, *Telephone Assistors/Taxpayer Assistance Center (TAC) Overview*. In some situations, you may need to advise the taxpayer that the restoration of the refund to the taxpayer may become a civil matter between the taxpayer and the preparer.

NOTE: When sending a Form 3911 to the taxpayer, enclose a return envelope with your affiliated Refund Inquiry Unit's address. Input the following history item on the account:

EXAMPLE: H,39112TP

EXCEPTION: If the taxpayer is located in a Presidentially-Declared Disaster area and the check is issued between 10 days before the disaster and 30

days after the disaster, a Form 3911 is not required. Oral authority should be taken from all taxpayers including those who filed a joint return.

IRM 21.4.1.4.6.1(1) Example - Changed from by to before.

1. In order to process a credit elect reversal for IMF accounts, the request must be received:
 - Before the return for the credit year has posted, and
 - Before March 1, of the year following the year to which the credit was applied

EXAMPLE: A request to reverse a credit elect from a 2013 account back to the 2012 account must be received before the 2013 return has posted and before March 1, 2014.

NOTE: When reversing credit elects, the refund will be issued as a direct deposit if the taxpayer requested direct deposit on his original return and the reversal occurs in the same processing year. To prevent direct deposit of the subsequent refund, input TC 971 AC 850 on the account when inputting the credit elect reversal (TC 832).

IRM 21.4.1.4.7(11) - Added links to CP53D and the direct deposit limitation overview.

11. Effective January 2015, the IRS now limits the number of refunds that can be electronically deposited into a single account or pre-paid debit card to three. Any additional refunds will be issued as a paper check. See Understanding Your CP53D Notice , and Direct Deposit Limits for additional information regarding the limitation.

IRM 21.4.1.4.9.4(2) Table - Added a link to IRM 21.4.3.4.4 for mailing guidance when returning a refund check.

2. Often proper documentation is not sent with the initial filing of the return and the Service is contacted with questions regarding reissuance of a refund check. Use the following chart to identify and resolve the situation:

If	And	Then
Joint refund, any amount	Surviving spouse	No Form 1310, <i>Statement of Person Claiming Refund Due a Deceased Taxpayer</i> , or documentation is required. Therefore, reissuance of the refund check is unnecessary.

		<p>NOTE: If the bank refuses to accept a joint refund check because one spouse is deceased, advise the surviving spouse to mark "VOID" on the back of the check and return it with a written request for reissuance of the refund check.</p> <p>NOTE: See IRM 21.4.3.4.4(1), <i>Returned Refund Check Procedures</i>, for mailing guidance.</p>
Other than joint refund, #[REDACTED] #[REDACTED]	Third Party	<p>Advise the third party to return the check marked void and submit written request for reissuance of refund check.</p> <p>NOTE: See IRM 21.4.3.4.4(1), <i>Returned Refund Check Procedures</i>, for mailing guidance.</p>
Other than joint refund, #[REDACTED] #[REDACTED]	Third Party	<p>Advise the third party to submit Form 1310 or certificate showing court appointment with the refund check marked void.</p> <p>NOTE: See IRM 21.4.3.4.4(1), <i>Returned Refund Check Procedures</i>, for mailing guidance.</p>

Exhibit 21.4.1-3 - Removed the reference to University National Bank.

The most common Refund Anticipation Loan (RAL) banks are listed below. If the number provided by the taxpayer is not listed below, use the following link to find the financial institutions for specific routing numbers: Financial Institution Routing Numbers. If the number still isn't found, advise the taxpayer to contact their return preparer.

Bank and Address	RTN
Bank of New York Mellon	031100047
Mellon Client Support	043000261
Rm 154-0960	
Pittsburgh, PA 15259-0001	
(412) 236-3338	
JP Morgan Chase Bank	031100267

10430 Highland Manor Drive Tampa, FL 33610 <u>(302) 984-4664</u>	
Discover Bank 502 E. Market Street Greenwood, DE 19950 <u>(302) 323-7391</u>	031100649
<u>English speaking assistance only</u> HSBC Trust Co. Delaware NA 1201 N. Market Street Suite 1001 Wilmington, DE 19801 <u>(877) 472-2249</u>	031101208
JP Morgan Chase Bank, NA ACH Dept, Attn: S. Sell 9000 Haggerty - MI 1-8205 Belleville, MI 48111 <u>(800) 677-7477</u>	044000037
Ohio Valley Bank Co. Gallipolis, OH 45631 <u>(740) 446-2631</u>	044204370
HSBC Bank USA One HSBC Center 14 Floor Buffalo, NY 14203 <u>(877) 472-2249</u>	071002053
MetaBank	073972181

PO Box 50588 Storm Lake, IA 50588 (605) 782-0740	273970116
<u>RAL loans to Military Personnel</u>	
River City Bank 500 South Sixth St. Louisville, KY 40202 (502) 585-4600	083000726
Republic Bank Trust 601 West Market Street Louisville, KY 40202-2700 (502) 584-3600	083001314
Bank of America Direct Deposit Coordinator PO Box 27025 Richmond, VA 23261 (800) 446-0135	121000358
Zions First National Bank PO Box 25837 Salt Lake City, UT 84125 (801) 974-8800 English speaking assistance only - assistance not available	124000054