

## **IRM PROCEDURAL UPDATE**

**DATE: 01/16/2026**

**NUMBER: 26U0095**

**SUBJECT: Start-Up Changes**

**AFFECTED IRM(s)/SUBSECTION(s): 3.11.14**

**CHANGE(s):**

**IRM 3.11.14.3.5(1) - Changed Line 25 to 25a and added information on Line 25b.**

**(1) Form 1041** - Edit forms and schedules as dollars only, **except** for the following lines which are dollars and cents:

- Line 24 - Total Tax
- Line 25a - Net 965 Tax Liability Paid
- Line 25b - Net 1062 Tax Liability Due This Year Form 1062
- Line 26 - Total Payments
- Line 27 - Estimated Tax Penalty
- Line 28/29 - Tax Due/Overpayment
- Line 30a - Credit Elect
- Line 30b - Refund
- Line 10 Schedule G, Part II - Estimated Tax Payments
- Line 11, Schedule G, Part II - Credit to Beneficiaries
- Line 13 Schedule G, Part II - Tax Paid With Extension
- Line 14 Schedule G, Part II - Federal Income Tax Withheld
- Line 15 Schedule G, Part II - Net 965 Tax Liability Amount
- Line 16 Schedule G, Part II - Payments from Form 2439

**Note:** For a display of Form 1041 transcription lines see Exhibit 3.11.14-1, Form 1041 Transcription Lines.

**IRM 3.11.14.10.1(6) (d) - Removed the Statute Returns clearing exception process for BMF.**

(6) The following data must be edited on all amended returns:

- a. **EIN** - See IRM 3.11.14.14.2, Entity Perfection - Employer Identification Number (EIN).
- b. **Name Control** - See IRM 3.11.14.14.3, Entity Perfection - Name Control.
- c. **Tax Period** - See IRM 3.11.14.12, Tax Period.
- d. **CCC "G"** - See IRM 3.11.14.8.6, CCC "G" - Amended Returns, and **Reminder** above.

**Exception: Don't** route to Statute Control Unit for clearance, edit CCC "W" and continue processing if any of the following conditions are present:

Compliance IRC 6020(b) returns.

Secured by Examination/Collections, Secured by TE/GE, Secured by TE/GE EP Exam

Returns with "TC 59X" or "ICS" notated on the face of the return.

Returns that are substitute returns prepared by Examination (SFR) in top margin of the form.

Returns with a stamp showing a previous clearance by Statute Control within the last 90 days.

**Note: If corresponding for a signature on an amended return, you will still code with CCC "G" and edit CCC 3 if the return is a no-reply to correspondence.**

- e. **IRS Received Date** - See IRM 3.11.14.11, Received Date.
- f. **Signature** - See IRM 3.11.14.19, Signature.

**Note:** Do not perfect the address on amended returns. see IRM 3.11.14.14.5, Entity Perfection - Domestic Addresses.

**Reminder:** Do not edit E-file Waiver Code on amended returns.

**IRM 3.11.14.10.8.2(1) (a) - Changed CCC to Computer Condition Code for clarity.**

(1) These returns are shown by the notations "TC 59X" or "ICS".

- a. **Don't** edit Computer Condition Code (CCC) "G" on these returns.
- b. Use approved Correspondence Action Sheet to correspond for conditions that cannot be processed, e.g., missing signatures, missing schedules, etc.

c. Edit CCC "W" if the IRS Received Date is more than 2 years and 9 months after the Return Due Date. **Do not** send the return to Statute Control.

**Reminder:** If there is indication a penalty or penalties must be suppressed, edit the correct Computer Condition Code(s). See IRM 3.11.14.8.17, CCC "W" - Return Cleared by Statute Control.

**IRM 3.11.14.10.9.1 - Added new subsection for Tax Year 2025 and later for Line 25a Form 1041.**

(1) **Line 25a, Form 1041 (Line 17 Form 1041-N)** edit as follows:

If	Then
Amount is present on Line 25a (Line 15 Form 1041-N),	Accept the data present and continue to process the return.

(2) **Line 15 (Schedule G)** edit as follows:

If	Then
Amount is present on line 15, Schedule G,	Accept the data present and continue to process the return.

**IRM 3.11.14.10.9.2 Title - Updated the Title to have an ending Tax Year.**

**Tax Period 202112- 202412 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19, Form 1041-N - 202112-202212. Line 17 202312-202412)**

(1) **Line 25, Form 1041 (Line 19 Form 1041-N)** edit as follows:

If	Then
Amount is present on Line 25 (Line 19 202112 - 202212. Line 17 202312 and later Form 1041-N),	Accept the data present and continue to process the return.

(2) **Line 15 (Schedule G)** edit as follows:

If	Then
Amount is present on Line 15, Schedule G,	Accept the data present and continue to process the return.

**IRM 3.11.14.10.11(3) - Removed the Statute Returns clearing exception process for BMF.**

(3) If any of the conditions listed below are present, **do not** route to Statute Control Unit for clearance. Instead, edit CCC "W", and continue processing:

- Compliance IRC 6020(b) returns.
- Secured by Examination/Collections, secured by TE/GE, secured by TE/GE Employee Plan (EP) Exam.
- Returns with Transaction Code (TC) 59X or "ICS" notated on the face of the return see IRM 3.11.14.49, Routing Guide for Attachments, for more information.
- Returns showing substitute returns prepared by Examination (SFR) in top margin of the return.
- Returns with a stamp showing a previous clearance by Statute Control within the last 90.

**IRM 3.11.14.10.11(4) - Updated the title of the CP Notices and Letters.**

(4) If a return has any of the following computer paragraphs (CPs) or letters attached, **do not** route to Statute Control Unit for clearance. Edit CCC "W" if the return needs processing. See

- CP 259, Business Master File Generated First Taxpayer Delinquency Investigation (TDI) Notice
- CP 959, Business Master File Generated First Taxpayer Delinquency Investigation (TDI) Notice (Spanish version)
- CP 518, Final Notice - Return Delinquency
- Letter 112-C, Payment/Overpayment/Credit Applied; No Record of Return Filed
- Letter 282-C, Return Not Received: Copy Requested/Received
- Letter 2255-C, Delinquent Return (Forms 720, 1041, 1065, 1120)
- Letter 2284-C, Delinquent Return (Form 940, 941, 943, 944)

**IRM 3.11.14.17.3.3(2) - Updated Line numbers and IRM references after adding new subsection for Tax Year 2025 and later for Line 25a Form 1041.**

(2) For editing procedures for Line 25a, Form 1041 (Line 19 Form 1041-N 201912 - 202212, Line 17 202312 and later) see:

- IRM 3.11.14.10.9, Section 965 Returns Form 1041 and Form 1041-N (TY2017 and later)
- IRM 3.11.14.10.9.1, Tax Period 202512 and later - Line 25a and Line 15, Schedule G, Form 1041 (Line 17 Form 1041 N)
- IRM 3.11.14.10.9.2, Tax Period 202112- 202412 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19, Form 1041-N - 202112-202212. Line 17 202312-202412).
- IRM 3.11.14.10.9.3, Tax Period 202012 through 202111 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19 Form 1041-N).
- IRM 3.11.14.10.9.4, Tax Period 201912 through 202011 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19 Form 1041-N).
- IRM 3.11.14.10.9.5, Tax Period 201812 through 201911 - Line 24 and Line 25f, Schedule G, Form 1041.
- IRM 3.11.14.10.9.6, Tax Period 201712 through 201811 - Section 965 Tax or 965 Election (Form 1041 and Form 1041-N).

**IRM 3.11.14.17.3.4 - Added new subsection for Line 25b - Net 1062 Tax Liability Due this Year Form 1062.**

(1) The amount for Line 25b, Form 1041 is from Form 1062, Deferral of Tax on Gain From the Sale or Exchange of Qualified Farmland Property to Qualified Farmers.

**IRM 3.11.14.22.12.6(2) - Updated IRM references and Titles after adding new subsection for Tax Year 2025 and later for Line 25a Form 1041.**

(2) For editing procedures for Line 15, Schedule G (Form 1041) see:

- IRM 3.11.14.10.9, Section 965 Returns Form 1041 and Form 1041-N (TY2017 and later)
- IRM 3.11.14.10.9.1 Tax Period 202512 and later - Line 25a and line 15, Schedule G, Form 1041 (Line 17, Form 1041-N)

- IRM 3.11.14.10.9.2, Tax Period 202112- 202412 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19, Form 1041-N - 202112-202212. Line 17 202312-202412)
- IRM 3.11.14.10.9.3, Tax Period 202012 through 202111 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19 Form 1041-N).
- IRM 3.11.14.10.9.4, Tax Period 201912 through 202011 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19 Form 1041-N).
- IRM 3.11.14.10.9.5, Tax Period 201812 through 201911 - Line 24 and Line 25f, Schedule G, Form 1041.
- IRM 3.11.14.10.9.6, Tax Period 201712 through 201811 - Section 965 Tax or 965 Election (Form 1041 and Form 1041-N).

**IRM 3.11.14.47.1.3.5(2) - Updated IRM references and Titles after adding new subsection for Tax Year 2025 and later for Line 25a Form 1041.**

(2) For editing procedures for Line 17, Form 1041-N see:

- IRM 3.11.14.10.9, Section 965 Returns Form 1041 and Form 1041-N (TY2017 and later)
- IRM 3.11.14.10.9.1 Tax Period 202512 and later - Line 25a and line 15, Schedule G, Form 1041 (Line 17, Form 1041-N).
- IRM 3.11.14.10.9.2, Tax Period 202112- 202412 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19, Form 1041-N - 202112-202212. Line 17 202312-202412)
- IRM 3.11.14.10.9.3, Tax Period 202012 through 202111 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19 Form 1041-N).
- IRM 3.11.14.10.9.4, Tax Period 201912 through 202011 - Line 25 and Line 15, Schedule G, Form 1041 (Line 19 Form 1041-N).
- IRM 3.11.14.10.9.5, Tax Period 201812 through 201911 - Line 24 and Line 25f, Schedule G, Form 1041.
- IRM 3.11.14.10.9.6, Tax Period 201712 through 201811 - Section 965 Tax or 965 Election (Form 1041 and Form 1041-N).