IRM PROCEDURAL UPDATE

DATE: 01/29/2026

NUMBER: ts-03-0126-0165

SUBJECT: EIN Field Blank or Missing; Correction Procedures Field 01ARI

AFFECTED IRM(s)/SUBSECTION(s): 3.12.154

CHANGE(s):

IRM 3.12.154.7.12.3 - Field 01ARI - Updated Invalid Conditions and Correction Procedures for better flow of correction actions.

(1) Field 01ARI is on page 1 of the Form 940 below the Type of Return check box.

(2) **Invalid Conditions:**

    a. The entry is other than "0, 1, 2, or 3".

    b. The tax period is before 202512.

(3) **Correction Procedures:**

(4) Compare the screen entry with the entry on the return and do the following:

- Blank or No Schedule R is attached, enter "0" in Field 01ARI.

- Section 3504 Agent is checked, enter "1" in Field 01ARI.

- Certified Professional Employer Organization (CEPO) is checked, enter "2" in Field 01ARI.

- Other Third Party is checked, enter "3" in Field 01ARI.

If	Then
Multiple Boxes or No Box is Checked and Schedule R is attached,	Edit from the Check Box of the Schedule R.
Multiple Boxes or No Box is Checked and Schedule R is attached with Multiple or No Boxes Checked,	There is no indication Code and Edit initiated correspondence. Correspond for clarification
Any Box or Multiple Boxes are checked and Schedule R is NOT attached,	There is no indication Code and Edit initiated correspondence. Correspond for clarification

IRM 3.12.154.7.3.2(1) - Updated note in 3rd Then table to clarify instructions on sending 3875C letter when EIN field is blank. Feedback from Campus.

(1) Check the field with the return and do the following:

If	Then
The EIN was transcribed incorrectly,	Enter the correct EIN.
The EIN was transcribed correctly,	Search for another valid EIN on the return or attachments and enter the correct number.

A correct number cannot be decided,	a. Research using CC NAMEB, CC NAMEE, or CC INOLE for the correct number.
	
	    1. If a valid EIN is found, enter the correct number.
	
	    2. If EIN is changed from the one the taxpayer used, send Letter 3875C, **Missing or Incorrect EIN on Return - BMF/EPMF**, as a non-response letter to the address on the return. Continue processing the return.
	
	Exception: Do not send Letter 3875C when:
	• Three or less digits of the EIN are transposed, different or missing, or
	• The EIN is consecutive numbers (e.g., 12-3456789) or repeating numbers (e.g., 11-1111111), or
	• INOLES shows the account was "merged to" or "merged from", or
	• The taxpayer uses their SSN in EIN format or fails to include their EIN and research shows there is a valid EIN for the taxpayer.

More than one number is found or if unable to decide valid EIN,	Suspend with AC 320 for referral to Entity Control.
Entity assigns an EIN,	a. Enter the EIN in Field 01 EIN. b. Enter the Entity Assigned Date in Field 01CRD if the date is after the return due date.