

IRM PROCEDURAL UPDATE

DATE: 03/16/2026

NUMBER: ts-03-0326-0330

SUBJECT: Dummy Return(s) for Overflow Money Amounts

AFFECTED IRM(s)/SUBSECTION(s): 3.12.23

CHANGE(s):

IRM 3.12.23.2.24 - Added new subsection, "Dummy Return(s) for Overflow Money Amounts".

(1) This procedure will be used by the ERS/Rejects function in Submission Processing if the money amount on a return exceeds the maximum field length allowable.

(2) Use red ink only to prepare the "Dummy Return".

(3) Notate on the original return, "Dummy Return Prepared due to Overflow Return 1 of X"(X = total number of returns for the tax amount).

(4) Re-compute the tax data and enter the maximum corrected allowable amount(s) on the paper register and the original return.

(5) Enter CCC "X" in Field 01-E.

(6) Prepare a "Dummy Return "by entering the remaining overflow money amount(s) on the correct lines.

Note: Multiple Dummy Returns may be required.

(7) Enter the following on the "Dummy Return":

- a. Write "Dummy Return Prepared from Overflow Return 2 of X" (X = total number of returns for the tax amount) on the top of the return.
- b. Tax Period.
- c. Entity Data from the original return.
- d. The DLN from the original return in the lower left corner going vertically up the side of the return (e.g., Split from DLN XXXXX-XXX-XXXXX-X).
- e. CCC "G".
- f. IRS Received Date.
- g. In Signature area, write "Signature on Original Return".

(8) Contact Planning & Analysis staff to have the dummy return(s) walked through the pipeline for processing.

(9) Scan and email the original and dummy return(s) to the contacts provided to Planning & Analysis.

IRM 3.12.23.8.2.6(2) - Added Note to refer to IRM 3.12.23.2.24 if the money amount on a return exceeds the maximum field length allowable.

(2) The following fields are used to determine the balance due. Verify that they were transcribed correctly on the Form 730.

- a. Wagers Accepted (Field 01-N) - Refer to line 1 of the Form 730.
- b. Laid-off Wagers Accepted (Field 01-O) - Refer to line 2 of the Form 730.
- c. Tax on Wagers Authorized under laws of the state in which Accepted (Field 01-R) - Refer to line 4a of the Form 730.
- d. Tax Wagers Accepted (other than reported on line 4a (Field 01-S) - Refer to line 4b of the Form 730.
- e. Credit (Field 01-Q) - Refer to line 5 of the Form 730.

Note: If the money amount on a return exceeds the maximum field length allowable, See IRM 3.12.23.2.24, Dummy Return(s) for Overflow Money Amounts.

IRM 3.12.23.8.2.7(1) - Added Note to refer to IRM 3.12.23.2.24 if the money amount on a return exceeds the maximum field length allowable.

(1) **Field N and O - "Wagers Accepted and Laid-Off Wagers Accepted"** are fields that represent data transcribed from taxpayer entered items on the return (lines 1 and 2). If a taxpayer accepts more wagers than the risk they are willing to assume, those excess wagers may be turned over to another taxpayer who is in the same business. These are called laid-off wagers and must be reported on the receiver's Form 730, Monthly Tax Return for Wagers, as well as on the Form 730 of the taxpayer who turned over the wager to the receiver. See IRM 3.12.23.8, Processing Form 730, Monthly Tax Return for Wagers.

Note: If the money amount on a return exceeds the maximum field length allowable. See IRM 3.12.23.2.24, Dummy Return(s) for Overflow Money Amounts.

- a. Accept the taxpayer's entry for line 2 of the return. In the Figure 3.12.23-6 example below, the taxpayer shows laid-off wagers on line 2 but has added incorrectly on line 3.
- b. Use AC 1.

c. Send TPNC 07.

d. Make corrections on the document as shown in Figure 3.12.23-6 below.

07 **00403-137-30001-6**

Form 730 (Rev. December 2017) **Monthly Tax Return for Wagers** **2603** OMB No. 1545-0235
 Department of the Treasury (Section 4401 of the Internal Revenue Code) For IRS Use Only
 Internal Revenue Service ▶ Go to www.irs.gov/Form730 for the latest information.

Enter your name, address, employer identification number, and month and year of return. Name **Bob Brown** Month and year **03 2026**
Number, street, and room or suite no. **202 Bismuth St** Employer identification number **00-1783822**
City or town, state or province, country, and ZIP or foreign postal code **Fargo ND 58102**

Check applicable boxes: Final return Address change

1	Gross amount of wagers accepted during month (not including laid-off wagers) (see instructions)	1	19775.00
2	Gross amount of laid-off wagers accepted during month (see instructions)	2	5050.00
3	Add lines 1 and 2	3	24825.00 X
4a	Tax on wagers authorized under the law of the state in which accepted. Enter the amount of these wagers included in line 3; multiply by the amount shown and enter the result	4a	
4b	Tax on wagers other than wagers described on line 4a. Enter the amount of these wagers included in line 3; multiply by the amount shown and enter the result	4b	496.50 X
4c	Tax on wagers. Add lines 4a and 4b	4c	496.50 X
5	Credits. No credit is allowed unless supported by evidence (see instructions)	5	
6	Balance due. Subtract line 5 from line 4c (see instructions)	6	496.50 X

File this return, your payment, and voucher with the IRS as shown under *Where to file* in the instructions. Make your check or money order payable to "United States Treasury." Write your name, address, EIN, "Form 730," and the tax period on it.

Sign Under penalties of perjury, I declare that I have examined this return, including any accompanying certificates and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

1-07 01 A BBROW C001783822 D202603+ E + F20260503+ G + H

M 45650+ N 1977500+ O 505000+ P00000000000+ Q +

49650+ 2482500+

Figure 3.12.23-6

IRM 3.12.23.8.2.9(3) - Added Note to refer to IRM 3.12.23.2.24 if the money amount on a return exceeds the maximum field length allowable.

(3) The computer will add lines 4a and 4b to get total line 4c.

Note: If the money amount on a return exceeds the maximum field length allowable, see IRM 3.12.23.2.24, Dummy Returns for Overflow Money Amounts.