

IRM PROCEDURAL UPDATE

DATE: 06/08/2026

NUMBER: ts-21-0626-0608

SUBJECT: Various Changes to Manual Refunds

AFFECTED IRM(s)/SUBSECTION(s): 21.4.4

CHANGE(s):

IRM 21.4.4.5.1(3) - Section I - Account Information: Block 20- For clarity added example of remarks to include TC 971 AC 807 being input but no refund systemically released. SERP Feedback 40035.

(3) The following are line by line instructions for completing Form 5792 **Section I - Account Information** (All fields are mandatory unless noted otherwise):

- **Block 1, TIN and File Source** - Input the TIN and File Source of the account from which the refund will be issued
- **Block 2, MFT Code** - Input the Master File Tax (MFT) Code
- **Block 3, Tax Period** - Input the tax period as YYYYMM
Exception: Period ending for MFT 52 is always 000000
- **Block 4, Plan Number** - Input the plan/report number, applicable for MFT 46, 74, and 76
- **Block 5, Name Control** - Input the four-character name control
- **Block 6, TC 840 Amount** - Input the TC 840 amount (overpayment, plus allowable interest)
- **Block 7, TC 770 Amount** - Input the TC 770 amount (allowable interest). If no interest is being computed, enter "0" or ".00"
- **Block 8, Overpayment Amount** - Input the overpayment amount: The amount being refunded not including any available credit interest

Note: Consider previously assessed failure to file and failure to pay penalties, and debit interest that will be affected by the adjustment action. Any decrease in penalties or interest already paid must be included in the overpayment amount. In addition, unassessed accruals of penalty and/or interest could reduce the overpayment amount.

- **Block 9, Line No** - Input the appropriate line number. See Exhibit 2.4.20-12, Description of Line Item Numbers
- **Block 10, Interest Indicator** - Input the appropriate interest indicator code:
 "0" (zero) for no interest
 "N" for normal interest when interest is payable
 "R" for restricted interest

Note: If interest is paid, interest "from" and interest "to" dates are required. See IRM 20.2, Interest, for interest computation.

Note: N for "normal interest" refers to interest that is computed normally with "to and from" dates. R for "restricted interest" refers to interest computed in another method and may involve IRC provisions. See IRM 20.2.1.4, Normal and Restricted Interest, for more information.

- **Block 11, ULC Code** - Input the Universal Location Code (ULC) (formerly the District Office code). (This block will generate when CC RFUND is input to IDRS) See Document 6209, Section 8C. 10, for listing of ULCs
- **Block 12, Sequence Number** - Will be input by the employee inputting CC RFUND to IDRS. If issuing multiple manual refunds, use sequential numbers for each manual refund. Each manual refund must have its own sequence number.
- **Block 13, Block Series Number** - Optional. Input if applicable. The block series may be 3, 4, 5, 6 or 9 and identifies why the refund is being issued. A 9 entered in this block must be accompanied by a bypass indicator (BPI) code of 1, 2, 5, 6, 8, or 9
- **Block 14–19, Entity and Address Information** - Input the name and address of the payee. Use CC ENMOD or CC INOLES information unless there is a name change, different address, or the refund is being issued to an injured spouse or third party

Note: If the address on **any** Form 5792 does not match the address on Master File, an explanation must be provided in the Remarks section of the form.

Reminder: If there are circumstances or discrepancies with the name or address on manual refund Form 5792, include a brief justification in the Remarks section of the form to support name line and address (i.e., name line typo on back-up documentation or discrepancy with address)

Caution: Valid characters for the first name line are A-Z, 0-9, -, &, and blank. Valid characters for the second name line are A-Z, 0-9, -, &, %, and blank. The valid characters for the address are A-Z, 0-9, -, /, and blank. For a further explanation of the valid characters accepted for CC RFUND and for an example of how to input a foreign address into CC RFUND, refer to IRM 2.4.20-4, Input Format, CC RFUND.

Deceased Taxpayer Manual Refunds: For decedent accounts, **DO NOT address the first name line to a deceased taxpayer.** Use the name of the person claiming the refund as the payee for refunds issued on decedent accounts. **Refer to IRM 21.6.6.2.21.2, Processing Decedent Account Refunds, to determine the proper documentation for claiming a refund on a decedent account.** The deceased taxpayer's name is shown on the second name line. The "Decd" in the second name line will be entered after the given name of the deceased taxpayer on a joint account or after the surname of the taxpayer on an individual account.

Caution: Before issuing a manual refund on a decedent account with a -X freeze, see IRM 21.5.6.4.48(1)(c), -X Freeze, for updated procedures that may include inputting a TC 971 AC 807 to release the freeze and generate a systemic refund.

Example:

Person claiming the refund is:	1st name line	2nd name line
Surviving spouse	Mary Beagle	John Decd and Mary Beagle
An Individual Court Appointed or Personal Representative	James White (A TITLE IS NOT REQUIRED. IF A TITLE IS USED IT MUST MATCH THE COURT DOCUMENTATION)	Elizabeth White Decd
A Business Entity Acting as Court Appointed or Personal Representative	Gopher National Bank (A TITLE IS NOT REQUIRED. IF A TITLE IS USED IT MUST MATCH THE COURT DOCUMENTATION)	Elizabeth White Decd
Claimant	Linda Rose	Jack Boxer Decd

Note: If a taxpayer cannot cash a refund check with "decd" indicated on the check, after the refund has been returned, reissue a manual refund using the 1st name line only. Document the reason for the second refund in the remarks section of the manual refund.

- **Block 20, Remarks** - Annotate reason for the refund in the remarks field. Be specific. Include all pertinent information. This would be anything you would want Accounting to know about the circumstance of the manual refund. If a form is

attached as supporting documentation for the manual refund, specify the form type in the remarks.

For example, if issuing a manual refund because of an injured spouse, you would indicate “**F8379 attached**”; or for a deceased TP refund based on the filing of a Form 1310, you would indicate “**F1310 attached**”; if a previous TC 971 AC 807 was input but did not release the refund, you would indicate “**TC 971 AC 807 was input and the refund was not released systemically**”.

This block allows up to 320 characters on the form however CC RFUND will only populate the first 80 characters.

Note: The IAT MR tool attempts to avoid splitting a word in half. If the 40th character falls in the middle of a word, the tool adjusts the break point, so the word shifts to the second line instead. In effect: Line 1 contains up to 40 characters, ending at a natural word break when possible. Line 2 contains the remaining text, up to 40 characters. Any text beyond 80 total characters is not transmitted to RFUNDR. The tool formats the remarks to fit within IDRS constraints while preserving readability.

The CII ID does not need to be included in the first 80 characters of the remarks. To aid accounting in identifying refunds generated by IDTVA, include “**IDTVA MR**” in the last line of the remarks field.

Reminder: If the original return was coded with CCC 3, was a **U** coded return (Form 1040), or Computer Condition Code X (Form 1120) is present on IDRS which means the original return was unprocessable due to no reply from a correspondence sent from the error resolution area. The RPD must be notated in the remarks and a completed REQ54 screen print showing the RPD must be attached as back up documentation to the manual refund. If a previous adjustment was input to the module that contained a RPD, then a copy of the REQ54 screen is not needed, it will be reflected on CC IMFOLR/BMFOLR. For more information see IRM 21.2.4.3.40.1, Computer Condition Code (CCC) 3 or U-Coded Returns.

Note: If the RSED is expired, a notation must be included in the Remarks section to state the Statute issue has been reviewed and the credit is available for refund. Notations must be clear and can include “**Timely filed, No RSED Issue**” or “**RSED allowable.**” Before initiating the manual refund, credit availability must be determined.

Caution: Some programs require specific remarks to be added to the manual refund documents. Always check the IRM of the program you are working to ensure proper remarks are being added to the manual refund forms.

Field Assistance (FA) employees - In addition to the remarks indicated above, enter **TS:CARE:FA**.

- **Block 21, Initiating BOD** - Check the box of the initiating Business Operating Division (BOD).
- **Block 22, Document Locator Number (DLN)** - Input the controlling document locator number (DLN) on the module. If no return posted or not needed, write in "return not posted"
- **Block 23, Bankruptcy Code Case** - Check the box if the account has a bankruptcy indicator.
- **Block 24, TC 130** - Check the box if the account contains a TC 130

IRM 21.4.4.5.1(5) - Section III - Interest Computation: To support updates on Form 5792, added the "From" box as a required field of completion.

(5) The following are the instructions for completing Form 5792, **Section III - Interest Computation** Accounting will need to verify the interest dates are correct and the credit is available for refund.

- The preparer must compute all interest for the TC 770 amount. For information on computing credit interest, see IRM 20.2.4.8.2, Manual Refunds.
- Input the interest "From" and "To" dates and the total interest amount. The IAT Manual Refund Tool will automatically complete this section. See IRM 21.4.4.6, Other Manual Refund Requirements, for instructions about determining "To" and "From" dates and determining the date of the overpayment.
- If different CC COMPA definers are being used to calculate the total interest, use only the first "From" date and the last "To" date when completing the COMPA section in the IAT Manual Refund Tool and add remarks per third note below. See IRM 2.3.29.3, Command Code COMPA, for definer definitions and when to use them.
- If reissuing a returned refund, input "Original Interest" in Section I Box 20 - Remarks, if an original amount of interest will be issued.
- Check the Interest Computation Attached box Yes and attach a copy of the CC COMPA print or ACT/DMI Report 490 indicating the applicable interest computation. If not required to calculate interest, then check the Interest Computation Attached box No.

Note: A CC COMPA print is not needed when reissuing a returned refund check that was correct when originally issued.

Note: If allowing interest due to an IRS error, add remark in Section I Box 20 - Remarks.

Note: If multiple interest "From" and "To" dates are used, notate "See attached CC COMPA print" in the remarks. The word "attached" can be abbreviated if space is limited.

Note: Large dollar manual refunds of \$1 million or more that contain credit interest, must be reviewed and approved by the Technical Unit. See IRM 21.4.4.6 (4), Other Manual Refund Requirements.

Exhibit 21.4.4-6 - To support updates on Form 5792 and Form 3753, updated job aids to reflect revised forms, also added reminder in Section II - Manual Refund Authority that handbook reference cannot be IRM 21.4.4 or its subsections; Section III - Interest Computation added from box as a required field; added reminder in Section IV - Manual Refund Approval that the IDRS number of the employee inputting the RFUND must match IDRS. Changed the text only link to replace the step list with a bullet list for better understanding.

All highlighted fields are mandatory unless noted otherwise in the IRM.

Line No.: 1=prior Yr; 2=current yr; 4=resulting from 29x adjustment (ccc3U); 6=resulting from other than 1,2,3,4,5 or 7 - IRM 2.4.20-12
 **Line 4 is NEVER used on Injured Spouse per 21.4.6.5.6.6

Request for IDRS Generated Refund (IGR)

Section I - Account Information

Command Code RFUND	1. TIN and file source	2. MFT code	3. Tax period	4. Plan number MFT 46, 74, and 76	5. Name control		
6. TC 840 amount	7. TC 770 amount	8. Overpayment amount	9. Line No. (See IDRS CC RFUND Input (IRM 2.4.20))	10. Int'st ind.	11. ULC code	12. Sequence number	13. Block series number
14. 1st Name line DO NOT address the first name line to a deceased taxpayer.			Accounting will reject if the address does not match IDRS account and there is no matching address on: <ul style="list-style-type: none"> • Pending change on IDRS cc ENMOD (PN or EP) or • Line 12 of an attached Form 8379 (Injured Spouse), or TC 971 AC 037 • Attached valid Form 1310, TC 971 AC 037 • Attached Form 8822, TC 971 AC 037 • Attached copy of recent tax return, TC 971 AC 037 				
15. 2nd Name line (Line out if not used)							
16. 3rd Name line (Line out if not used)							
17. 4th Name line (Line out if not used)							
18. Street address or P.O. number (Must include apartment number, if applicable)							
19. City				State	ZIP code		
20. Remarks If applicable the following notations are required: F8379 attached F1310 attached IDTVA MR Timely filed, No RSED Issue or RSED allowable TS:CARE:FA (for Field Assistance (FA) employees only)				If the original return was coded with CCC 3, was a U coded return, The RPD must be noted in the remarks and a completed REQ54 screen print showing the RPD must be attached as back up documentation to the manual refund, unless the RPD is reflected on CC IMFOLR/BMFOLR.		21. Initiating BOD	
				<input type="checkbox"/> (1) LB&I <input type="checkbox"/> (7) TS-SP <input type="checkbox"/> (2) SBSE <input type="checkbox"/> (8) RICS <input type="checkbox"/> (3) TAS <input type="checkbox"/> (9) Appeals <input type="checkbox"/> (4) TEGE <input type="checkbox"/> (0) ICE <input type="checkbox"/> (5) TS-AM <input type="checkbox"/> (6) TS Compliance			
22. DLN of return				Block 23 - Check the box if the account has a bankruptcy indicator. Block 24 - Check the box if the account contains a TC 130		23. Bankruptcy code case <input type="checkbox"/>	
						24. TC 130 <input type="checkbox"/>	

Section II - Manual Refund Authority (Complete applicable items) Mark any other boxes in this section as applicable.

1. Reason a. <input type="checkbox"/> Tentative Carryback b. <input type="checkbox"/> Taxpayer Request c. <input type="checkbox"/> Handbook Reference d. <input type="checkbox"/> Other e. <input type="checkbox"/> Injured Spouse or <input type="checkbox"/> Innocent Spouse	5. Evidence of Credit Condition a. <input type="checkbox"/> Unprocessed document or return b. <input type="checkbox"/> Transcript of account c. <input type="checkbox"/> Form 3913 (returned check) d. <input type="checkbox"/> Other (Specify) 6. <input type="checkbox"/> Necessary supporting documents attached 7. <input type="checkbox"/> Verify refund amount with source document amount 8. <input type="checkbox"/> TC 914 or Z freeze on module (Criminal investigation approval received)	9. <input type="checkbox"/> Interest Reviewed Over \$1 Million 10. <input type="checkbox"/> By Pass Indicator (BPI) See IRM 21.4.6 11. <input type="checkbox"/> IAT Tool DMER Bypass - DMER Print Attached (Manager's Initials) <small>mark when attached</small> 12. <input type="checkbox"/> Refund >\$50 Million but <\$100 Million. 2-Day Notification given to Accounting per IRM 3.17.79.3.7 13. <input type="checkbox"/> All items above completed
Do Not use or cite IRM 21.4.4 or its subsections as the IRM reference - specific IRM must be used		
Mark ONLY if applicable		

Section III - Interest Computation

Interest from date (mm/dd/yyyy)			Interest to date (mm/dd/yyyy)			Total interest	Interest Computation Attached (COMP A Print, ACT/DMI Print, etc.) <input type="checkbox"/> Yes <input type="checkbox"/> No
Month	Day	Year	Month	Day	Year		

Section IV - Manual Refund Approval

The Approving Official cannot be the same as the employee requesting the manual refund.

1. No. of employee inputting RFUND via IDRS Employee IDRS number must match with CC RFUND/TXMODA	4. Signature of Approving Official AC12B John A. Smith Digitally signed by John A. Smith Date: 2025.05.07 13:16:13 -05'00'
2. Request prepared by (name of originator)	3a. SEID
3. Telephone number <small>Cannot be a Toll-Free 800 phone number. This MUST be the managers phone number.</small>	<small>See IRM 3.17.79.3.2.3, Manual Refund Digital Signature Requirement, for digital signature requirements on Form 5792.</small>

All highlighted fields are mandatory unless noted otherwise in the IRM.

Special handling	<i>(For Accounting Use Only)</i>
Manual Refund Posting Voucher	DLN of Form 3753

To Accounting	From and return to <i>(originating team and department)</i>
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Section I - Account Information					
1. TIN (EIN/SSN)	2. Tax period (yyyymm)	3. MFT	4. Plan number <small>MFT 46, 74, and 76</small>	5. Schedule number	6. Schedule/Transaction date (mmdyyy)
7. Name and address of taxpayer as shown on Master File <small>Complete this block if the payee is other than the taxpayer or the refund is being issued to a different address. Differences must be explained in Section 2.</small>			8. Form number	9. DLN of return	
11. Make check payable to <i>(If different than taxpayer explain in Section II)</i> <small>DO NOT address the first name line to a deceased taxpayer.</small>			10. Transaction Code	a. Primary 840	b. Amount of refund check
				c. Secondary 770	d. Interest
			12. General Ledger/Appropriation		13. Overpayment amount
For Direct Deposit			a. Symbol	b. Amount	14. Universal Location Code (ULC)
a. Routing number	b. Account number		<small>Do Not use or cite IRM 21.4 or its subsections as the IRM reference - specific IRM must be used</small>		
c. Account type <input type="checkbox"/> Checking <input type="checkbox"/> Savings			15. Line number		<small>Line No. 1=prior yr; 2=current yr; 4=resulting from 29x adjustment(cc3U); 6=resulting from other than 1,2,3,4,5 or 7. **Line 4 is NEVER used on Injured Spouse per 21.4.6.5.6.6</small> See IRM 2.4.20 for Line Numbers

Section II - Manual Refund Authority (Complete applicable items) <small>Mark any other boxes in this section as applicable.</small>					
1. Reason a. <input type="checkbox"/> Tentative Carryback b. <input type="checkbox"/> Taxpayer Request c. <input type="checkbox"/> Handbook Reference d. <input type="checkbox"/> Other e. <input type="checkbox"/> Injured Spouse or <input type="checkbox"/> Innocent Spouse	6. <input type="checkbox"/> Necessary supporting documents attached 7. <input type="checkbox"/> Verify refund amount with source document amount 8. <input type="checkbox"/> TC 914 or Z freeze on module <small>(Criminal investigation approval received)</small> 9. Interest a. <input type="checkbox"/> Not allowable b. <input type="checkbox"/> Restricted c. <input type="checkbox"/> Normal	13. <input type="checkbox"/> IAT Tool DMER Bypass - DMER Print Attached <small>(Manager's Initials)</small> 14. <input type="checkbox"/> Refund >\$50 Million but <\$500 Million. 2-Day Notification given to Accounting per IRM 3.17.79.3.7. 15. <input type="checkbox"/> Refund >\$100 Million Form _____ of _____ 16. <input type="checkbox"/> Refund >\$500 Million. 5-Day Notification given to Accounting per IRM 3.17.79.3.7. 17. <input type="checkbox"/> All items above completed			
2. <input type="checkbox"/> TC 420/424 on module <small>(Examination approval rec'd.)</small>	10. <input type="checkbox"/> Interest Reviewed Over \$1 Million	<div style="border: 1px dashed black; padding: 5px;"><small>To prevent DMER, cc TXMOD should be reviewed for a current TC971 AC664, or an open control base controlled to Accounting, which are both indications that a prior Form 3753 had been submitted and processed.</small></div>			
3. <input type="checkbox"/> IDRS and Master File researched for outstanding balances and TC 130	11. <input type="checkbox"/> By Pass Indicator (BPI) See IRM 21.4.6 <small>Accounting: Uncheck the TOP Offset Eligibility box on SPS</small>				
4. <input type="checkbox"/> Transcript of debit accounts attached	12. <input type="checkbox"/> Stopped pending TC840 or TC846				
5. Evidence of Credit Condition a. <input type="checkbox"/> Unprocessed document or return b. <input type="checkbox"/> Transcript of account c. <input type="checkbox"/> Form 3913 <small>(returned check)</small> d. <input type="checkbox"/> Other <small>(Specify)</small>					

Section III - Interest Computation									
Interest from date (mm/dd/yyyy)			Interest to date (mm/dd/yyyy)			Total interest		Interest Computation Attached <small>(COMPA Print, ACT/DMI Print, etc.)</small>	
Month	Day	Year	Month	Day	Year			<input type="checkbox"/> Yes <input type="checkbox"/> No	

Section IV - Other Remarks <small>If applicable the following notations are required: F8379 attached F1310 attached IDTVA MR Timely filed, No RSED Issue or RSED allowable TS:CARE:FA (for Field Assistance (FA) employees only)</small>	<small>If the original return was coded with CCC 3, was a U coded return, The RPD must be notated in the remarks and a completed REQ54 screen print showing the RPD must be attached as back up documentation to the manual refund, unless the RPD is reflected on CC IMFOLR/BMFOLR.</small>	Initiating BOD <input type="checkbox"/> (1) LB&I <input type="checkbox"/> (5) TS-AM <input type="checkbox"/> (9) Appeals <input type="checkbox"/> (2) SBSE <input type="checkbox"/> (6) TS Compliance <input type="checkbox"/> (10) ICE <input type="checkbox"/> (3) TAS <input type="checkbox"/> (7) TS-SP <input type="checkbox"/> (4) TEGE <input type="checkbox"/> (8) RICS
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Section V - Manual Refund Approval <small>The Approving Official cannot be the same as the employee requesting the manual refund.</small>				
1. Signature of Approving Official <small>AC12B John A. Smith Digitally signed by John A. Smith Date: 2025.05.07 13:16:13-05'00'</small>	2. Name of originator <small>(print)</small>	a. SEID	3. Date	4. Telephone number <small>Cannot be a Toll-Free 800 phone number. This MUST be the managers phone number.</small>