IRM PROCEDURAL UPDATE

DATE: 10/22/2026

NUMBER: ts-21-1026-0867

SUBJECT: Federal Scholarship Tax Credit EINs

AFFECTED IRM(s)/SUBSECTION(s): 21.7.13

CHANGE(s):

IRM 21.7.13.4.2.7 Added link to new IRM 21.7.13.4.2.7.1, Federal Scholarship Tax Credit EINs.

(1) Identity theft occurs when someone uses your name, SSN/TIN, credit card number or some other piece of your personal information. Some taxpayers have contacted EIN units after receiving a CP 575 identifying them as the owner of a new EIN. They claim they did not apply for an EIN.

Reminder: Before releasing any information or advising the taxpayer of actions to take, you must determine whether you are speaking to the taxpayer or to a third party acting on behalf of the taxpayer. Use guidance in IRM 21.1.3.2.3, Required Taxpayer Authentication.

(2) Take action on a case by case basis. There is no specific order or process to follow. The main thing is to be sure the person did not apply and does not want the number associated with their name. Use the table below to assist you.

Reminder: Most of the situations when a taxpayer contacts us stating they did not request an EIN are when a third party requested an EIN on the taxpayer's behalf for a legitimate business purpose. Therefore, it is important to determine if that is the situation which led to the taxpayer contacting us.

If	**Then**
1) A taxpayer indicates that they did not apply for an EIN	Determine that the number was not applied for by a spouse or other family member, a neighborhood club, or an accountant or other third party on their behalf (such as a fiscal agent, bank or executor of a trust). **Exception:** If the legal name of the entity includes "FSTC Administration," see IRM 21.7.13.4.2.7.1 Federal Scholarship Tax Credit (FSTC) EINs. **Note:** Thorough research and/or direct contact with the customer can usually resolve the situation. One item you may want to determine is

	whether both addresses (the one on the notice and the address of record) are the same.
2) The addresses are the same	Probe further on the above issues.
3) The addresses are different	Determine if customer is aware of the other address. **Reminder:** The CP 575 is issued to the address on Form SS-4 Line 4a/4b. Therefore, if a third party designee submitted Form SS-4 with the taxpayer's address, the taxpayer would receive the CP 575 and may not be aware that the third party submitted the Form SS-4 on the taxpayer's behalf. The third party does not receive the CP 575.
4) The taxpayer believes their identity has been stolen	Follow guidance in 25.23.11.4, Business Master File (BMF) ID Theft Research. Each BMF site has a specific group handling BMF Identity theft inquires. Referral procedures are found in IRM 25.23.11.6.4, BMF Identify Theft Paper Inquiry, and IRM 25.23.11.6.5, BMF Identify Theft Inquiry Made to a BMF AM CSR.

IRM 21.7.13.4.2.7.1 Added procedures for taxpayer contacts pertaining to Federal Scholarship Tax Credit EINs.

(1) In preparation for the launch of the Federal Scholarship Tax Credit (FSTC) State Portal in fall 2026, the IRS created an Employer Identification Number (EIN) that each participating state will need to access the state portal. This EIN should not be used for any purpose other than with regards to the FSTC. For additional information about these EINs, see the Temporary regulations under section 25F published in the Federal Register on October 2, 2026.

(2) States may have recently received a CP 575 notice from the IRS regarding the creation of this EIN. If you receive a call from a state about the CP 575 notice, determine if the state submitted Form 15714, Advance Election to Participate under Section 25F, and follow the table below.

If the state has	**Then advise the caller**
Submitted Form 15714	• The IRS will reach out to the point of contact identified on Form 15714 with further instructions. • The only thing the state needs to do at this time is make sure that their point of contact information is up to date.

	• The state can update their point of contact information using the email or fax number shown in the Instructions for Form 15714.
Not submitted Form 15714 but is considering participating in the FSTC	• Submit Form 15714 soon, so the IRS can reach out to the point of contact and assist the state to prepare to use the FSTC State Portal.

Not submitted Form 15714 and does not plan to participate in the FSTC	• If the state makes a final determination not to participate in the FSTC the state may request the IRS deactivate the EIN.
	• Send a letter to the IRS with the following information:
	  ○ Name and address of the state and the EIN received
	  ○ EIN assignment notice, if available
	  ○ Reason for deactivating the EIN
	• Fax the letter to 855-214-7520, or mail the letter to:
	Internal Revenue Service
	Attn: EO Entity
	Mail Stop 6273
	Ogden, UT 84201
	
	Note: The IRS will automatically deactivate the EIN after the last day to submit an election for calendar year 2027 if the state does not submit an advance election to participate in the FSTC or specifically request the EIN be deactivated.