

IRM PROCEDURAL UPDATE

DATE: 01/30/2024

NUMBER: wi-03-0124-0159

SUBJECT: Clarified Tax Period for Section 07

AFFECTED IRM(s)/SUBSECTION(s): 3.12.15

CHANGE(s):

IRM 3.12.15.10.3(4) - Added Correction Procedures for tax periods prior to 202301.

(4) Correction Procedures:

- a. Correct coding and transcription errors.
- b. If the tax period is before 202301, delete the field.

If	Then
A refund is claimed on Form 8697 or Form 8866	<ol style="list-style-type: none">1. Disallow the credit,2. Delete the credit amount from Form 1065 refund, if included3. Detach and route Form 8697 or Form 8866 to Accounts Management, <p>Note: IRM 3.12.15.2.14, Perfection of Attachments.</p>
Form 8697 or Form 8866 is paid in full or has a balance due,	No action is needed.

IRM 3.12.15.10.4(3) - Added Correction Procedures for tax periods prior to 202301.

(3) Correction Procedures:

- a. Correct coding and transcription errors.
- b. If the tax period is before 202301, delete the field.

IRM 3.12.15.10.5(3) - Added Correction Procedures for tax periods prior to 202301.

(3) Correction Procedures:

- a. Correct coding and transcription errors.
- b. If the tax period is before 202301, delete the field.

IRM 3.12.15.10.6(4) - Added Correction Procedures for tax periods prior to 202301.

(4) Correction Procedures:

- a. Correct coding and transcription errors.
- b. Compare lines 24 - 27 of Form 1065 to the displayed fields, if incorrect, overlay the screen with the correct information.
- c. If the tax period is before 202301, delete the field.

IRM 3.12.15.10.7(3) - Added Correction Procedures for tax periods prior to 202301.

(3) Correction Procedures:

- a. Correct coding and transcription errors.
- b. If the tax period is before 202301, delete the field.
- c. If there is an amount present in Field 07EPE and a supporting Form 3800 is not attached and the amount claimed for EPE is # \$500 or more #, then SSPND with Action Code 211 and correspond using Letter 1355C.
- d. If **No Reply** to correspondence, then disallow the EPE credit shown and remove the amount claimed in Field 07EPE. See IRM 3.12.15.19.25 Error Code 731, Elective payment election (EPE) Disallowance for more information.

IRM 3.12.15.10.8(2) and (3) - Added Invalid Condition and Correction Procedures for tax periods prior to 202301.

(2) Invalid Conditions: Field 07L30 is invalid if:

- Tax period is before 202301.

- Field is other than numeric or blank.
- Field length is more than 15 characters.
- Field is negative.

(3) Correction Procedures:

- a. Correct coding and transcription errors.
- b. If the tax period is before 202301, delete the field.
- c. Accept the Taxpayers amount.

IRM 3.12.15.10.9(4) and (5) - Added Invalid Condition and Correction Procedures for tax periods prior to 202301.

(4) Invalid Conditions: Field 07B/R is invalid if:

- Tax period is before 202301.
- Field (lines 31 and 32) are other than numeric or blank.
- Field (line 31 and 32) are more than 15 characters.
- Line 31 is negative.
- Line 32 is positive.

(5) Correction procedures:

- a. Correct coding and transcription errors. See IRM 3.12.15.19.30 Error Code 739 Amount Owed/Overpayment.
- b. If the tax period is before 202301, delete the field.