

IRM PROCEDURAL UPDATE

DATE: 02/28/2024

NUMBER: wi-03-0224-0307

**SUBJECT: Secretary of State Update; MeF Form 8822-B; DUT Information;
Files Instruction**

AFFECTED IRM(s)/SUBSECTION(s): 3.13.2

CHANGE(s):

IRM 3.13.2.1.5(74) - Added acronym for Business Tax Account (BTA).

(74) The following **acronyms** will be seen throughout this IRM:

- **ACS**- Automated Collection System
- **ASED**- Assessment Statute Expiration Date
- **ATIN**- Adoption Taxpayer Identification Number
- **BMF**- Business Master File
- **BMFOL**- Business Master File On Line
- **BTA** - Business Tax Account
- **CAWR**- Combined Annual Wage Reporting
- **CC**- Command Code
- **CFC**- Controlled Foreign Corporation
- **CII**- Correspondence Imaging Inventory
- **CP**- Computer Paragraph
- **CPEO**- Certified Professional Employer Organization
- **DCC**- Detroit Computing Center
- **DLN**- Document Locator Number
- **DUT** - Document Upload Tool
- **EIN**- Employer Identification Number
- **EPMF**- Employee Plans Master File
- **EFTPS**- Electronic Federal Tax Payment System
- **ERAS**- EIN Research and Assignment System
- **ECC-MTB**- Enterprise Computing Center at Martinsburg
- **EO**- Exempt Organization
- **ERS**- Error Resolution System
- **FDIC**- Federal Deposit Insurance Corporation
- **FICA**- Federal Insurance Contributions Act
- **FSLG**- Federal State Local Government
- **FRC**- Filing Requirement Code
- **FUTA**- Federal Unemployment Tax Act
- **FYM**- Fiscal Year Month
- **GMF**- Generalized Mainline Framework

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- **GUF-** Generalized Unpostable Framework
- **HSM-** Hierarchical Storage Management
- **IMF-** Individual Master File
- **IMFOL-** Individual Master File On Line
- **ITG-** Indian Tribal Government
- **ITIN-** Individual Taxpayer Identification Number
- **IDRS-** Integrated Data Retrieval System
- **IT-** Information Technology
- **IRC-** Internal Revenue Code
- **IRM-** Internal Revenue Manual
- **IRS-** Internal Revenue Service
- **IRSN-** Internal Revenue Service Number
- **JPMR-** Joint Program Management Review
- **KCSPC-** Kansas City Submission Processing Center
- **LB&I-** Large Business and International Division
- **LCI-** Large Corporation Indicator
- **MF-** Master File
- **MFT -** Master File Tax Code
- **MRS-** Microfilm Replacement System
- **NAP-** National Account Profile
- **NC-** Name Control
- **OMB-** Office of Management and Budget
- **OSPC-** Ogden Submission Processing Center
- **PLR-** Private Letter Ruling
- **PMF-** Payer Master File
- **POA-** Power of Attorney
- **PRP-** Programming Requirements Package
- **PSPC-** Philadelphia Submission Processing Center
- **PSSN-** Primary Social Security Number
- **QSST-** Qualified Subchapter S Trust
- **RAF-** Reporting Agent File
- **RAIVS-** Return and Income Verification Services
- **RC-** Reason Code
- **RIVO-** Return Integrity & Verification Operation
- **RDD-** Return Due Date
- **RTR-** Remittance Transaction Research
- **SCRIPS-** Service Center Recognition Image Processing System
- **SCUPMF-** Service Center Unpostable Master File
- **SLA-** Service Level Agreement
- **SSSN-** Secondary Social Security Number
- **SGRI-** Supplemental Group Ruling Information
- **TE-** Tax Examiner
- **TEFRA-** Tax Equity and Fiscal Responsibility Act
- **TIF-** Taxpayer Information File
- **TIGTA-** Treasury Inspector General for Tax Administration
- **TIN-** Taxpayer Identification Number
- **TC-** Transaction Code
- **T/P-** Taxpayer
- **UPC-** Unpostable Code

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- **URC**- Unpostable Resolution Code
- **VBDEA**- Visual Basic Data Entry Application
- **VITA**- Volunteer Income Tax Assistance
- **WIRS**- Wage Information Retrieval System
- **XML**- Extensible Markup Language
- **XSf**- Excess Collection File
- **YTD**- Year To Date
- **ZTIF** - Z (Other) Taxpayer Information File

IRM 3.13.2.1.6 (3 & 4(e)) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(3) BMF Entity TEs will utilize the various offices of the Secretary of State for business research. See Exhibit 3.13.2-8, Secretary of State Websites.

(4) Integrated Automation Technologies - IAT:

- a. IAT provides tools to IRS employees that simplify research, reduce keystrokes and increase the accuracy of regular work processes.
- b. When IAT is used with IRS systems, it eliminates repetitive typing and making precise decisions.
- c. The use of IAT is mandatory. See the IAT web site for a list of available tools and User Guides.
- d. Managers will ensure that all employees receive training on the use and application of IAT tools.
- e. Appropriate research will be completed using CCs NAMEE, NAMEB, NAMES, NAMEI, FINDE and the Secretary of State offices. See Exhibit 3.13.2-8, Secretary of State Websites.

IRM 3.13.2.2(2)(e) & (24) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(2) The following are basic procedures for all cases processed in Submission Processing BMF Entity:

- a. Batch all documents with appropriate control form/batch sheet. BMF Entity uses Entity Batch/Block Tracking System (BBTS).
- b. All incoming documents/correspondence will be stamped with an IRS/Entity received date stamp. Since the implementation of Enterprise Electronic Fax (EEFax), it is not necessary to manually stamp incoming fax documents as the EEFax received date cannot be altered and will be considered for timeliness. The dates stamped by other fax machines or a Fax Transmission Verification Report **will not be used** for determining timeliness.

Exception: Form 2553, if the original submission is by fax, is an exception to this direction. Please see IRM 3.13.2.23.3 (2).

- c. It is not necessary for Entity clerical staff to date stamp returns (documents that post as a TC 150) as RCO will have already date stamped.
- d. A taxpayer may respond to an IRS inquiry via facsimile/fax. The following documents processed by BMF Entity are acceptable via fax: **Form 2553**, *Election by a Small Business Corporation*, **Form 8869**, *Qualified Subchapter S Subsidiary Election*, and **Form SS-4**, *Application for Employer Identification Number*.
- e. Perfect the following entity issue(s) for processing:
 - Correct and underline the name control
 - Correct the name (as needed, research the Secretary of State websites via the internet. See Exhibit 3.13.2-8 , Secretary of State Websites).
 - EIN
 - Address
 - Fiscal Year Month (FYM) or tax period
 - Filing Requirements Codes (FRCs)
 - XREF-TIN-ITIN, etc. if needed
 - Annotate your actions in the lower left corner of the document.

All documents touched by Entity will bear the TE's IDRS number, date upon completion, and all actions taken. It is not necessary for Entity to correct existing address abbreviation errors on the Entity module unless accessing the EIN for other Entity corrections. When correcting any field on a document, BMF Entity TEs will circle out the "bad information" and enter the correct information as close as possible.

Note: Never use other correction items, such as white-out.

- f. Documents that will be destroyed in the control team (correspondence, etc.) require a complete audit trail: TE IDRS number, EIN (if not on document), all TCs input, letter sent (if applicable) and date. Place a large blue (or orange or purple) "X" on the document that will be destroyed and return it to your pack of documents. The control team will destroy the document upon their breaking down of the employee folders.

Reminder: The name control must be underlined on every document going to the Files Operation.

- g. When processing returns, it is not necessary to address minor name differences (for example, INC versus INCORPORATED or Co. versus Company) unless the name control is affected. Do not perfect the primary name line to include the word "The" at the beginning of the name unless the taxpayer specifically requests it.
- h. **Every** document received in BMF Entity will be researched to ensure there is only one EIN (or SSN on some documents) assigned to the taxpayer. CCs

NAMES/ NAMEE and/or NAMEI/NAMEB will be used to verify the EIN/SSN is correct and no other TIN exists for the taxpayer.

- i. If a taxpayer submits an original document (birth certificate, marriage license, passport, etc.) with their correspondence or document, prepare a Form 14219, Return of Documentation to the taxpayer, and return the item to the taxpayer.

Exception: Do **NOT** detach and/or return a death certificate.

- j. If the submitter includes a copy of the document and a Self-Addressed Stamped Envelope (SASE), return the acknowledgement request back to the originator or requester. If a SASE is not enclosed, **do not** return an acknowledgement copy to the originator.
- k. If a taxpayer submits a BMF Entity form with a Form 8821, that authorizes disclosure to a designee, or Form 2848, that authorizes the taxpayer's representative to act on behalf of the taxpayer with respect to different types of tax returns (for example, Form 1120, Form 1065, etc.), photocopy the Form 8821 or Form 2848, write **COPY** in the center of the photocopy and forward the original 8821/2848 to the Centralized Authorization File (CAF) Team. The photocopy of Form 8821/2848 must remain attached to the Entity form. Also, if indicated on line 2 of Form 8821 or Form 2848, the designee or POA will receive a copy of any correspondence that is part of the case resolution, if included in the scope of the authorization. You achieve this by using the MFT and tax period in CC LPAGE, and by entering **Y** in the **CAF>** field of CC LPAGE.

(24) Many types of entities are required to register with the Secretary of State's office in their state of origin. This is not always the physical location of the business. Entity will research the internet web sites of Secretary of State's offices as needed to learn the history of the business, owners, status with the state, etc. See Exhibit 3.13.2-8, Secretary of State Websites.

IRM 3.13.2.3.1 (1 & 2) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(1) Corporations are registered with the Secretary of State's office in the state of incorporation. Research will be completed via Secretary of State Websites, see Exhibit 3.13.2-8, Secretary of State Websites, to verify corporation information such as:

- Date of incorporation,
- Name changes,
- Type of entity/annual filing requirement,
- Any changes in structure/owners, or
- Status with state.

(2) Suffixes such as P.A. (Professional Association), P.C. (Professional Corporation), and INC. (Incorporated), indicate a Corporate entity.

Note: The suffix "LTD" does not warrant the filing of a corporation nor a partnership/LLC. If the correct filing requirement cannot be determined, research the Secretary of State Websites, see Exhibit 3.13.2-8, Secretary of State Websites.

IRM 3.13.2.3.3(2) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(2) LLC information can be found on the Secretary of State websites. See Exhibit 3.13.2-8, Secretary of State Websites.

IRM 3.13.2.3.5(3) - Corrected placement of bracket in last name.

(3) The last name of the decedent must be followed by the word "Estate" in the primary name line.

Name: Howard J. Aspen Dec'd

Name Control: HOWARD J]ASPEN] ESTATE

IRM 3.13.2.4.8(10) - Added Exception: MeF filed Forms 8822-B for Responsible Party changes are not required to be sent to Files.

(10) Processed Forms 8822-B will be stored in the Files Operation in an "Alpha File." Ensure each document has been name controlled and contains an audit trail in the lower left margin of the document.

Exception: Forms 8822-B filed via MeF for Responsible Party changes are not required to be sent to Files. See IRM 3.13.2.4.8.2 (11).

IRM 3.13.2.4.8.1(2)(A) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(2) Process the Form 8822-B as follows:

If...	And...	Then...
A) Form 8822-B clearly indicates a primary name change (FKA, previous name, etc.),	The Form 8822-B is signed by authorized individual,	Research the Secretary of State websites, see Exhibit 3.13.2-8, to verify the change. If verified, change the name and send Letter 147C as confirmation.
B) Form 8822-B clearly indicates a primary name change (FKA, previous name, etc.),	Unable to verify after researching Secretary of State website,	Correspond for verification with a Letter 252C.

C) Unable to determine if the taxpayer is changing their name,	Unable to verify after researching Secretary of State website,	Do not update the taxpayer's name. Update the address as needed. Send the Letter 252C after updating address instructing the taxpayer to verify the name change.
D) Any required information is missing,	Information cannot be found through research,	Return Form 8822-B to the taxpayer with Letter 104C/6800sce. Send the letter to the taxpayer's address on Master File. Instruct the taxpayer to complete Form 8822-B and return to us.
E) You are speaking with the taxpayer by telephone discussing any issue,	The taxpayer requests an address change,	Change the address(s), entering the taxpayer's name, title, and phone number in the Remarks field of CC BNCHG.
F) The EIN on Form 8822-B is not on the Master File,	IDRS research shows the EIN was assigned to the taxpayer reflected on Form 8822-B,	Input TC 000 with appropriate FRCs. For example, INC = 1120, LLC = 1065.
G) The EIN on Form 8822-B is not on the Master File,	IDRS research shows no record of this or any other EIN being assigned,	Send the taxpayer a Letter 104C/6800sce without an EIN asking for a copy of the notice assigning the EIN. Advise to apply for new EIN if unable to provide a notice. If response is received, TC 000 the EIN with appropriate FRCs and the "new" address.
H) The EIN on Form 8822-B does not match Master File,	EIN cannot be found through research,	Circle out the incorrect EIN and return Form 8822-B to the new mailing address on Form 8822-B requesting a valid EIN.

IRM 3.13.2.4.8.2 - Updated entire section for better flow of information. Added paragraph about Forms 8822-B for Responsible Party changes being received via MeF.

(1) This part of the form is used to update the **XREF-TIN-ITIN-IND**, **XREF-TIN-ITIN**, **SORT-NAME**, and/or **CARE-OF-NAME** fields on CC BNCHG. No other fields will be updated unless indicated on Form 8822-B.

(2) **Always** verify that the TIN provided belongs to the name provided. BMF taxpayers must list an individual (SSN or ITIN only) as the Responsible Party (RP).

(3) Beginning May 13, 2019, the Responsible Party listed on the Form 8822-B can no longer be an individual or entity with an EIN. If Form 8822-B is received listing an individual or entity with an EIN as the new RP, return the document to the taxpayer with the following language: A **responsible party** is the person who owns or controls

the entity, who exercises ultimate effective control over, or entitlement to, the funds or assets in the entity that, as a practical matter, enables the person, directly or indirectly, to control, manage, or direct the entity and the disposition of its funds and assets. **Unless the applicant is a government entity, the responsible party must be an individual (a natural person) with an SSN or ITIN, not an entity.**

Exception: # [REDACTED]

[REDACTED] #

Note: The Responsible Party may not be changed on a Sole Proprietor account. A new EIN is required.

EXAMPLE: If an existing Sole Proprietor business is inherited, a new EIN must be assigned to the new owner.

(4) Beginning in 2023, taxpayers can submit a PDF Form 8822-B with their electronically filed tax return through MeF to change the Responsible Party information on their account. Tax Examiners will access EUP to review Form 8822-B for changes.

(5) The **Remarks** field of the transaction updating the taxpayer's change of responsible party will contain the name, title, and phone number if available from the signature line of Form 8822-B. If the signature is illegible, enter **"SIGNATURE ILLEGIBLE"** in Remarks field of transaction.

(6) We maintain the **XREF-TIN-ITIN** field for the following types of entities:

- Corporations (for-profit only);
- Partnerships;
- LLCs;
- Business trusts;
- Trusts (Grantor's TIN); and
- Estates (Decedent's SSN).

Reminder: A sole proprietor may not submit a request to change the RP as sole proprietor EINs are not transferable between people.

For instructions on updating the **XREF-TIN-ITIN** field, see IRM 3.13.2.10.20, Updating "XREF-TIN-ITIN" Field - Responsible Party.

(7) To update the **XREF-TIN-ITIN-IND** and **XREF-TIN-ITIN** fields, enter the appropriate indicator in the **XREF-TIN-ITIN-IND** field:

- 0 (zero) if TIN is an SSN or ITIN.
- Previously used 2 if TIN is an EIN, and 3 if the TIN is a parent's EIN.

Enter the new TIN without hyphens in the **XREF-TIN-ITIN**, add appropriate comment in the **Remarks** field and XMIT.

(8) Process the change of responsible party section of Form 8822-B as follows utilizing thorough research of IDRS:

If...	And...	Then...
A) T/P is EO or a church,		Send to OSPC for EO processing. See IRM 3.13.2.2(28), BMF Entity - General.
B) T/P is an Estate and an SSN is being provided as "new" and it does not belong to the decedent,	The decedent's SSN is on the Estate EIN as XREF,	Take no further action.
C) T/P is an Estate and an SSN is being provided as "new" and it does not belong to the decedent,	The decedent's SSN is not on the Estate EIN,	Research IDRS to locate decedent's SSN. Update Estate EIN with decedent's SSN and XREF-TIN-ITIN-IND to "0" (zero).
D) T/P is a Grantor Trust and an SSN is being provided as "new" and it does not belong to the grantor,	The grantor's SSN is already on the Trust EIN,	Take no further action.
E) T/P is a Grantor Trust and an SSN is being provided as "new" and it does not belong to the grantor,	The grantor's SSN is not on the Trust EIN,	Research IDRS to locate grantor's TIN. Update Trust EIN with grantor's SSN and XREF-TIN-ITIN-IND to "0" (zero).
F) There is a Care Of Name on Master File,	The Care Of Name on Master File does not match the new Responsible Party,	Take no action unless the new third party has indicated such on Form 8822-B.
G) There is a Care Of Name on Master File,	The Care of Name on Master File matches the previous Responsible Party,	Enter the name of the new Responsible Party in the Care Of Name field.

(9) Send Letter 147C to taxpayer at the address on Master File, In Care of (%) the new Responsible Party, notifying them we have updated our records. Send Letter 147C without an EIN to the previous Responsible Party telling them their name has been removed from the account, unless the previous Responsible Party is deceased. If you do not have a new address for the previous Responsible Party or they are deceased, send the letter to the address of record of the requesting EIN advising the removal of the previous Responsible Party. Correspondence must never be sent to a deceased taxpayer.

(10) Paper processed Forms 8822-B will be stored in the Files Operation in an **Alpha File**. Ensure each document has been name controlled and contains an audit trail in the lower left margin of the document.

Note: Forms 8822-B received via MeF are not required to be sent to Files.

IRM 3.13.2.5(5) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(5) Research CCs BMFOL'E', ENMOD, FINDE/FINDS, INOLE, IRPTR, NAMEE, NAMEI and the EUP for a better address for the taxpayer. In most cases the address on CC INOLE will be the same as the notice. The Secretary of State web sites, see Exhibit 3.13.2-8, may provide a better address.

Note: If a better address is found, re-mail notice and envelope, and Form 8822-B using Letter 6800sce or Letter 2475C. If Letter 6800sce is used, input history item on CC ENMOD that says:

6800SCE

4UNDEL

IRM 3.13.2.7.1(2) - Corrected name of IAT Name Search Tool.

(2) There are several systems available in the Campus for research as follows:

- The Taxpayer Information File (TIF) CC ENMOD.
- The BMF with CCs BMFOL/BRTVU/INOLE.
- Tax Modules that are on IDRS with CC TXMOD.
- Everything available on IDRS with CC SUMRY.
- On-Line Entity and related CCs.
- The Name Search Facility (NSF) CC NAMES, for SSN research, and NAMEE for EIN research, and NAMEB search for EINs for both primary and trade names.
- The Name Search Facility (NSF) CC NAMEI to research individuals.
- IDRS CC Job Aids on SERP.
- IAT Name Search Tool

IRM 3.13.2.7.3.2(25)(d) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(25) **Transaction Code 013:** This generated transaction code indicates the primary name line has been changed. See Figure 3.13.2–8.

- a. Always use the Master File name control, not a check digit or dummy name control when changing the name lines.
- b. If it appears that a change in ownership has occurred which will require a new EIN, correspond with the taxpayer using Letter 45C.
- c. Name changes to SSNV accounts will be processed using TC 040 or TC 041.
- d. A name change can be processed from any type of correspondence, return, payment, etc., if one of the following is indicated in the examples; Formerly

- Known As (FKA); Also Known As (AKA); New name; Old name; Name change box is checked on a return (if present). You will research the Secretary of State web site(s), see Exhibit 3.13.2-8 , for name change verification. If needed, phone contact with the taxpayer can be initiated.
- If none of the above is indicated, correspond with the taxpayer to verify the correct name.
 - If correspondence, notices, or C letters sent by the IRS that solicits or requires a response from the taxpayer are returned to the IRS by the taxpayer with corrections marked on the taxpayer's Primary Name information, the correspondence will constitute clear and concise written notification of a name change. The taxpayer's signature is not required on the correspondence, notice or C letter.
 - If a name change is input, send an acknowledgement Letter 147C to the taxpayer.

Text Only Link

BNCHG 00-1232165		NM-CTRL>SYCA	
DOC-CD>63	BLK-SERIES>	TC>	SEQ-NUM>
PSTNG-DLAY-CD>			
CASE-ASSN-NUM>	CLC>	DT-WG-L-PD>	DT-BUS-CLD>
NEW-NAME-CTRL>SYCA		PRIMARY-NAME>SYCAMORE TREE FARM INC	
CONTINUATION-OF-PRIMARY-NAME>]			
SORT-NAME>			
CARE-OF-NAME>			
FOREIGN-STREET>			
MAIL-STREET-OR-FOREIGN-CITY/ZIP>			
MAIL-CITY/STATE/ZIP-OR-FOREIGN-COUNTRY>			
LOCATION-STREET-ADDRESS>			
LOCATION-CITY/STATE/ZIP>			
XREF-TIN-ITIN-IND>	XREF-TIN-ITIN>	FORM-56-CHG-IND>	EFF-DT>
FYM>	EMPLMNT-CD>	RRB-NUM>	EDI>
PARAM-SEL-CD>	SM-FSC>	FCOI>	
NM-YR/QTR>	NEW-SSN>	-	MFT>
DT-OF-DEATH>	SFSC-CTY-CD>		
SPOUSES-SSN>	-	SOLE-PRP-SSN>	-
NEW-EIN>	-	TOE>	
PMF-IND>	TRANS-REG-IND>	F8123-CD>	F637-IND>
LARGE-CORP-CD>	CEP>	FOE>	
WP-DT>	BOD-DT>	OIC-YR>	527-IND>
F944-YR/IND>	/	LLC-CD>	
FILING-REQ: 941>	940>	3520>	943>
945>	1120>	1065>	8804>
944>	1041>	CT-1>	720>
730>	11-C>	1066>	2290>
1042>	5227>	3520A>	4720>
990>	990PF>	990T>	706GS(T)>
706GS(D)>	8752>	NOT-REQUIRED>	
944-BYP>	45R-YR1>	45R-YR2>	ALE>
EIN-EST-DT>			
REMARKS>NAME CHANGE PER TAXPAYER REQUEST			

Figure 3.13.2-8
CC BNCHG - TC 013

IRM 3.13.2.8(8) - Added cross reference to IRM 3.13.2.10.24, Changes to Primary Name Line. Clarified to research before changing name and corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

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(8) If you are processing a return with a **Name Change** box and it is marked, research must be done before updating Master File to reflect the name entered on the return. See IRM 3.13.2.8(3), IRM 3.13.2.8.2 and IRM 3.13.2.10.24, Changes to Primary Name Line. If the name change is valid, send Letter 147C as acknowledgement. Underline the new name control. If the **Name Change** box is **not** marked, and the name is different than what is on our records, verify the name change with the Secretary of State office, see Exhibit 3.13.2-8. If unable to verify the name change, edit the correct name control from Master File onto the return and underline it. Correspond with taxpayer asking for verification of the name change. Ask taxpayer to include a copy of any amendment documents pertaining to name change when responding to us.

Exception: Trusts: The name entered on trust returns may vary depending on the person completing the return. When evaluating if a TC 013 will be input, compare the dates the trust was created/funded on Master File and the dates entered on the return.

Also, Form 1041 now has boxes for changes in trust name, fiduciary, fiduciary's name, and fiduciary's address. If any of these boxes are marked, input the change requested by the box. **Do not write the taxpayer asking for documentation!**

IRM 3.13.2.8(16) - Added Note: Forms 56 attached to an electronically filed tax return in MeF should not be processed. They are to be treated as information only.

(16) Modernized e-File (MeF) will refer cases to Entity via ERS Action Code 321. The Employee User Portal (EUP) will be accessed to verify Entity information. Any needed Entity transactions will be input by Entity TEs to ensure the taxpayer's information on Master File is current and correct. These cases are time sensitive and must be closely monitored.

Note: Forms 56 attached to an electronically filed tax return in MeF should not be processed. They are to be treated as information only.

IRM 3.13.2.8.5.1(5) - Clarified information for TC 971 AC 373/35 input when a return is converted in ERS.

(5) TC 971 AC 373/375 input in MFT 02 indicates Form 1120-S has failed to post to MF and a phone call was made or a letter has been issued to the preparer/taxpayer. TC 971-376 indicates the conversion of Form 1120-S to a Form 1120, when there is no reply or when the reply received does not resolve the unpostable issue.

IRM 3.13.2.8.5.1(6) - Added paragraph 6 for indication when a return is deleted in ERS. Renumbered remaining paragraphs.

(6) TC 971-374 input on MFT 06 indicates a MLLC filed a Form 1120-S that failed to post to MF and a phone call was made or a letter has been issued to the preparer/taxpayer. No reply was received and the return removed from processing.

A TC 971-374 should only be input for a multi-member LLC. AC 374 can also be used on a TC 972 to reverse the transaction.

IRM 3.13.2.10.13(4) - Corrected IAT tool where the Faxed 147C letter is located.

(4) If the taxpayer and/or their authorized representative asks for a faxed Letter 147C, use the IAT Fill Forms tool to fax a 147C Letter for EIN confirmation. Enter a history item on CC ENMOD. See IRM 2.3.12, IDRS Terminal Responses - Command Code ACTON. Staple the faxed letter to the back of the taxpayer's correspondence.

IRM 3.13.2.10.18(1) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(1) If an Entity reorganizes/converts at the state level and maintains the same structure (officers, employees, type of business), the entity may retain their EIN. Follow guidelines listed below:

- Information found on the Secretary of State websites identifying the reorganization/conversion can be used for case documentation without contacting the taxpayer. Print documentation to attach to the case. See Exhibit 3.13.2-8.

Note: If the state does not allow conversions and requires the entity to re-register, the taxpayer is allowed to keep their EIN if it maintains the same structure. The taxpayer must submit a signed statement stating they have re-registered with the state.

- If unable to secure documentation from the SOS, contact the taxpayer via telephone requesting the state paperwork showing the reorganization/conversion. If unable to secure documentation via phone, return any documents received to the taxpayer explaining the reason. Ensure open paragraphs are reviewed by lead TE. If unable to secure documentation, do not update the account.
- Update the taxpayer's name, address and/or FRCs as needed. Update LLC indicator as needed.
- Prepare a "dummy" Form 8832, see IRM 3.13.2.2(11), BMF Entity - General, with the state paperwork attached. Input TC 074 (as a source document) effective the date the entity reorganized/converted. If the taxpayer submits a Form 8832, use it as the source document rather than preparing a "dummy" document. The FOE input will depend on the change to the Entity and the taxpayer's intent. See IRM 3.13.2.27.5(6), Processing Approved Form 8832.
- Send the taxpayer a Letter 3064C or Letter 3574C telling them our records have been updated to reflect the state reorganization/conversion.
- When using the IAT SET tool for Form 2553 or Form 8832, in conjunction with a state reorganization, applicable letters will be utilized.

Reminder: If the EIN reflects a previous TC 074/076, input a TC 075/077 to reverse the original election. Use a PDC 1 on the TC 074 input.

IRM 3.13.2.10.24(1)(a) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(1) Correspondence from the taxpayer and/or their representative will be received notifying us of a name change to a BMF entity. Some name changes are truly entity changes. Perform all necessary research and respond to the letter author accordingly. There are different verification procedures for the various types of entities. These procedures are in place to ensure the name change is legitimate and does not require the assignment of a new EIN. See below for further instructions:

- a. Corporate name changes can be verified through the respective Secretary of State's office via the Internet. See Exhibit 3.13.2-8.
- b. Partnership name changes cannot be verified through any outlet available to IRS employees. Therefore, we must rely on information provided by the taxpayer. Historically, more than a 50 percent change in ownership in a partnership constituted a new partnership. However, for tax years beginning after 12-31-2017, more than a 50 percent shift in ownership **does not** constitute a new partnership, therefore, a new EIN is **not** required.
- c. Limited Liability Companies (LLCs) must register name changes with their respective states. Research the Secretary of State's web site to verify any name changes.
- d. If a Sole Proprietor requests a change to their personal name, research the taxpayer's SSN for same name change. If SSN is unchanged, request documentation showing the name change is legal. This documentation can be a copy of a marriage certificate, court order, etc. When response is received, the appropriate action will be determined by the taxpayer's response. If taxpayer's SSN reflects the requested name change, input appropriate transaction to update the BMF.
- e. Before a Trust name can be changed with correspondence, the trustee must provide a copy of the trust instrument. This enables us to determine if a new trust has been created, which would require a new EIN. However, successor fiduciaries often alter the trust name line on Forms 1041 without actually changing the name of the trust.
- f. As a rule, the decedent's name on an Estate will not change.
- g. Business Plans will mimic the name change of the Business entity. Follow procedures above as they apply.
- h. For Exempt Organization name changes, see IRM 3.13.12, Exempt Organization Account Numbers. If the taxpayer is in status 19, 22, 41, 70, 71, 72, 97, 98, or 99, BMF Entity will make the name change. All other statuses will be processed by Ogden EO Entity. Fax requests to EO Entity at 855-214-7520.

Note: Fax number is for internal use only.

IRM 3.13.2.17.5(2) - Added paragraph for cross reference to IRM 3.5.61.5.3, Retirement of IRS Records to the FRCs. Per SERP Feedback #16067.

(2) Procedures for sending documents to the FRC is found in IRM 3.5.61.5.3.

IRM 3.13.2.19(6) - Added (6) for direction that Forms 56 attached to an electronically filed tax return in MeF should not be processed. They are to be treated as information only. Renumbered remaining paragraphs.

(6) Forms 56 attached to an electronically filed tax return in MeF should not be processed. They are to be treated as information only.

IRM 3.13.2.20.2 - Added section for Document Upload Tool (DUT).

(1) DUT is an application on IRS.gov where providers can upload documentation they are requested or required to provide.

(2) Starting January 2024, BMF taxpayers that receive Letters 104C, 147C, 252C, 385C and 2475C may respond to these notices using the Document Upload Tool (DUT).

(3) Employees must complete a BEARS request prior to gaining access to DUT.

(4) Incoming work received via the Document Upload Tool (DUT), must be printed within two business days of receipt by an Entity Clerical Unit (ECU) designee. Batching of work received via DUT must be batched within four workdays from the Entity received date.

(5) Original tax returns should not be sent through the DUT as they will not be processed. If you receive an original return, please coordinate with your P & A staff to return to the taxpayer.

IRM 3.13.2.23.1(4)(B), (6) & (8)(E) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(4) Compare the name on Form 2553 with the name presently on Master File. If the name is different, follow the procedures below:

If...	And...	Then...
A) The name change box is checked on Form 2553,	1) The officer of the corporation signs the form,	Input a TC 013 to update the name prior to inputting the TC 090.
A) The name change box is checked on Form 2553,	2) The officer of the corporation did not sign the form,	Correspond for signature and name verification.

B) The name change box is not checked on Form 2553,	The name on the Form 2553 is materially different than what is currently on Master File,	Verify name change with the Secretary of State's office. See Exhibit 3.13.2-8. If valid, Input TC 013 to update the name prior to inputting the TC 090. If unable to verify name change w/ Secretary of State and important aspects of the entity match (BO, WP, XREF TIN, state and date of incorporation, etc.), use PSC - Z on TC 09X, send appropriate letter and ask taxpayer to verify their name. Edit name control from Master File onto Form 2553.
C) Any questions as to whether the taxpayer's name has changed,	1) Important aspects of the entity match (BO, WP XREF TIN, state and date of incorporation, etc.)	Do not change. Use PSC - Z on TC 09X. Send appropriate letter and ask taxpayer to verify their name.
C) Any questions as to whether the taxpayer's name has changed, see Note below,	2) Important aspects of the entity do not match,	ESIGN a new EIN with NIC A and RIC 53 .

Note: Ensure that the name change requested does not include a change to the structure of the entity. If so, please see (5) below.

(5) **Employer Identification Number** - The EIN of the entity making the Subchapter S-election will be in this area. Research IDRS carefully to verify the accuracy of the EIN. See chart:

If...	And...	Then...
A) EIN is missing,	IDRS research does not reveal a valid EIN,	Assign an EIN using NIC A , RIC 53 , and the valid selected tax year on Form 2553.
B) EIN is invalid or belongs to another taxpayer,	IDRS research does not reveal a valid EIN,	Assign an EIN using appropriate NIC, RIC 53 , and the valid selected tax year on Form 2553.
C) EIN was established as a Sole Proprietorship,	The EIN was ESIGN'd in the same year Form 2553 was received and no returns have been filed under the SP EIN,	Update the EIN to reflect the corporate entity shown on Form 2553: 1. Remove Sole Prop SSN by entering 000-

		00-0001 in the Sole Prop SSN field, Note: This change must be input first and no other fields can be altered in the same TC 016. 2. Update Entity fields as needed, 3. Enter same SSN in the XREF-TIN-ITIN field, 4. Add Form 1120-01 FRC with FYM reflected in Part 1, Item F.
D) EIN was established as a Sole Proprietorship,	The EIN was not ESIGN'd in the same tax year Form 2553 was received,	ESIGN a new EIN and continue processing Form 2553.

(6) **Date Incorporated and State of Incorporation** will be entered in these boxes. Do not return Form 2553 if this is the only information missing. The Secretary of State's web site, Exhibit 3.13.2-8, for the state in which the corporation is incorporated is useful for verifying date of incorporation. For an S-election to be valid, a corporation must be domestic and incorporated. If this date is later than the requested effective date, circle out the requested date, edit and underline the date of incorporation in the space below the requested effective date on Line E. This is now the effective date.

(7) **Name and Address Change Boxes** - The taxpayer will mark one or both boxes if requesting a name and/or address change on Form 2553. Entity will update these fields as requested by the taxpayer unless the Form 2553 is an 'old' form. If the signature date on the Form 2553 is prior to the current processing year, do not update name and/or address based on the check boxes alone. Perform additional research to ensure the name and address are correct and current.

(8) **Effective Date** - This field will contain the date the taxpayer wants their Subchapter S-election to become effective.

- For **"new"** corporations, this will normally be the first day of existence. **A new corporation is one that has yet to file a Form 1120.** The election cannot be effective prior to the date of incorporation. If such a date is entered, circle it out then enter and underline the date from Item B, Date of Incorporation. For example, the taxpayer incorporated 10-13-23 and requests an effective date of 01-07-24. This election will be approved for 01-01-24 (if timely filed). When prior liability is established, the election must be effective the first day

of a calendar month. **Note:** Often corporations will enter an "invalid" effective date: a date that is not the beginning of a tax period. In the above example, the only valid effective dates would be 10-13-23 (if timely) or 01-01-24. We will circle out the invalid date, enter and underline 01-01-24, and approve for this date with a BK95.

- For **"existing"** corporations, this date will be the first day of their next tax period. **An existing corporation is one that has filed Forms 1120 and established a tax period/FYM.** However, Rev. Proc. 2006-45 allows corporations to file Form 1128 to change their tax period for the tax year immediately prior to making a Subchapter S-election. Form 1128 must be attached to Form 2553.
- For a C corporation that had been a member of an affiliated group filing a consolidated return but was not the common parent, the effective date for the S-election is the first day after the C corporation leaves the affiliated group, if the corporation is otherwise eligible to be an S corporation. If, however, a corporation was the common parent of an affiliated group filing a consolidated return, the effective date for the corporation S-election is the first day following the end of its normal tax year.

Corporation "X"	
Date Corporation X Leaves Consolidated Group	06-30-2023
Effective Date of Form 2553	07-01-2023
Due Date of Form 2553	09-15-2023
Date of Short Period Form 1120-S Tax Return	07-01-2023 to 12-31-2023

- If the taxpayer is an LLC, the effective date will be the date of the classification election (TC 076), if timely filed. If not timely, the effective date will be the beginning of the next tax period.
- If the taxpayer has left the effective date blank and the effective date can be determined without returning Form 2553 to the taxpayer, the effective date will be edited into the blank spot and underlined.

The chart below may help in determining a valid **Effective Date**. Chart is based on Dec. 2017 revision of Form 2553. The date of incorporation (Item **B**) must be used if the dates entered in Items **E** and **L** are invalid.

If...	And...	Then...
A) The date Jan. 1 is entered in Item E , Note: Research SOS to verify the validity of the 01-01 date. Often the T/P will enter 01-01-XXXX as their	1) The dates entered in Items B and L are Jan. 1,	Approve the election for Jan. 1 effective date (if election meets all other eligibility criteria.

requested effective date and they actually incorporated later in the year.		
A) The date Jan. 1 is entered in Item E ,	2) The dates entered in Items B and L are not Jan. 1, and one of them is timely,	Edit this date to item E . Underline this date; it is now the effective date of the election.
A) The date Jan. 1 is entered in Item E ,	3) The dates entered in Items B and L are not Jan. 1, and neither of them is timely,	<ul style="list-style-type: none"> a. Approve Form 2553 for the next qualifying year, if all other eligibility criteria are met. b. Edit effective date in Item E and underline. c. Use the appropriate PSC to notify the taxpayer of potential relief under a Rev. Proc.
B) The date in Item E of Form 2553 is timely,	It is not 1-1-YY and the Date of Incorporation, Item B is later,	<ul style="list-style-type: none"> a. Edit the date from Item B to Item E and underline it. b. Approve Form 2553 for the date in Item B. c. Use a BK95 if the difference between the dates is more than 30 days.
C) Item E is blank or not timely,	Item B is timely,	Edit the date from Item B to Item E and underline it. Approve Form 2553 for the date in Item B .
D) Item L is not timely and the Item E is blank or not timely,	Item B is timely,	Edit the date from Item B to Item E and underline it. Approve Form 2553 for the date in Item B .
E) If the date in Item B is not complete,	Taxpayer is a new entity/has not yet established a tax year ending,	Research Secretary of State's web site, see Exhibit 3.13.2-8. If unable to locate date, return Form 2553 only if returning for other reason.
F) If the date in Item B is not timely,	Taxpayer is a new entity/has not yet	<ul style="list-style-type: none"> a. Approve the election for the earliest qualifying year (if

	established a tax year ending,	election meets all other eligibility criteria). b. Edit effective date in Item E and underline. c. Send Letter 385C to notify taxpayer of potential relief under Rev. Proc. 2013-30.
G) If the date in Item B is not timely,	Taxpayer is an established entity with an established FYM,	a. Approve the election for the earliest qualifying year (if election meets all other eligibility criteria). b. Edit effective date in Item E and underline. c. Send Letter 385C to notify taxpayer of potential relief under Rev. Proc. 2013-30.
H) The date Dec. 31, is entered in Item E and is timely,	Dec. 31 is entered in Items B and L ,	Approve the election for Dec. 31. Note: Dec. 31 must not be the effective date unless Items B and L are both 12/31.
I) The date Dec. 31, is entered in Item E and is not timely,	1) Dec. 31 is entered in Items B and/or L ,	Approve the election for the earliest qualifying year. Edit and underline this date in Item E .
I) The date Dec. 31, is entered in Item E and is not timely,	2) The dates entered in Items B and/or L are not Dec. 31 and are not timely,	Edit and underline the earliest of the two dates to Item E . Proceed with election approval.
J) Item E is blank,	Items B and L are not timely,	Approve for current tax year, for example, 1-1-XXXX.

IRM 3.13.2.23.4.1 - Added paragraphs 4-6 regarding TCs 971 AC 373/374/375 input to align with IRM 3.13.2.8.5.1 when a return is converted or deleted in ERS. Also added notes in table.

(1) Responses to our inquiries regarding Rev. Proc. 2013-30 received within the same processing year, will be processed as follows.

(2) Research IDRS CCs ENMOD and/or BMFOL'E' for a posted TC 090 effective the same tax year as our inquiry.

(3) Research CCs TXMOD, TRDBV, and BMFOL'T' for status of taxpayer's initial Form 1120-S. The Employee User Portal (EUP) must also be researched if the return was filed electronically.

If...	And...	Then...
A) Form 2553 can be approved or TC 090 is posted/pending for the tax year in question,	1) The taxpayer's Form 1120-S has not yet posted as a converted Form 1120,	<ul style="list-style-type: none"> a. Input TC 090, if able, to approve for tax year in question. b. Input TC 930 for the tax period of the initial Form 1120-S sending taxpayer's response to Files which will be associated with CP98/198. This CP will be returned to originator in 26 weeks to verify posting of TC 150. c. Upon receipt of CP98/198 from Files, research CCs TXMOD and BMFOL for posted DLN. d. If DLN is for Form 1120-S, associate taxpayer's response with DLN. Take no further action.
A) Form 2553 can be approved or TC 090 is posted/pending for the tax year in question,	2) The taxpayer's return has posted as a Form 1120,	<ul style="list-style-type: none"> a. Input TC 090 and/or send Letter 385C as confirmation of new effective date. b. Prepare Form 3465, Adjustment Request. Send to BMF AM/Adjustments stating: "REMOVE THE TAX FROM POSTED FORM 1120 - TC 150 SHOULD BE A FORM 1120-S." Indicate on Form 3465 the number of shareholders from Form 2553. These instructions cannot be applied to LLCs as their DLNs have been cancelled. <p>Note: See paragraphs 4 and 5 below for additional action.</p>
A) Form 2553 can be approved or TC 090 is posted/pending for the tax year in question,	3) Taxpayer is an LLC and prior filed returns have been cancelled,	Research CC TRDBV for the cancelled DLNs. See IRM 3.13.2.8.24, Re-processing Previously Cancelled Returns, for complete processing instructions.

		Note: See paragraph 6 below.
B) Form 2553 cannot be approved for tax year in question or next qualifying year because it's still incomplete,	1) Taxpayer's corporate return has not yet posted,	Reject Form 2553, suppress CP 264, send Letter 326C telling taxpayer election was rejected because Form 2553 was incomplete twice.
B) Form 2553 cannot be approved for tax year in question or next qualifying year because it's still incomplete,	2) Posted DLN is for Form 1120,	Reject Form 2553, suppress CP 264, send Letter 326C. Associate taxpayer's response to 1120 DLN.
C) There is no record of posted/pending TC 090,	1) Form 2553 is complete and taxpayer's Form 1120-S has not yet posted as a converted Form 1120,	<ul style="list-style-type: none"> a. Input TC 090 allowing CP 261 to generate. b. Input TC 930 for the tax period of the initial Form 1120-S sending taxpayer's response to Files which will be associated with CP 98/198. This CP will be returned to originator in 26 weeks to verify posting of TC 150. c. Upon receipt of CP 98/198 from Files, research CCs TXMOD and BMFOL for posted DLN. d. If DLN is for Form 1120-S, associate taxpayer's response with DLN. Take no further action.
C) There is no record of posted/pending TC 090,	2) Form 2553 is complete and the taxpayer's return has posted as a Form 1120,	<ul style="list-style-type: none"> a. Input TC 090. b. Prepare Form 3465, Adjustment Request. Send to BMF AM/Adjustments stating: "REMOVE THE TAX FROM POSTED FORM 1120 - TC 150 SHOULD BE A FORM 1120-S." Indicate on Form 3465 the number of shareholders from Form 2553. <p>Note: See paragraphs 4 and 5 below for additional action.</p>
C) There is no record of posted/pending TC 090,	3) Form 2553 is incomplete,	<ul style="list-style-type: none"> a. Deny Form 2553, see IRM 3.13.2.23.9, Procedures for a Denied Form 2553. b. Leave all of taxpayer's response with denied Form 2553 which is the

		source document for the TC 094 input.
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(4) TC 971 AC 373/375 input on MFT 02 indicates Form 1120-S has failed to post to MF and a phone call was made or a letter has been issued to the preparer/taxpayer. TC 971-376 indicates the conversion of Form 1120-S to a Form 1120, when there is no reply or when the reply received does not resolve the unpostable issue. TC 971 AC 376 will freeze all refunds to the taxpayer.

(5) If the taxpayer responds and Form 2553 is approved for the tax year in question, input TC 971-377 to indicate the converted Form 1120 has been re-processed as a Form 1120-S. This will also lift the refund freeze. See IRM 3.13.2.8.5.1 (8), ERS Action Code 347 - Revenue Procedure 2013-30.

(6) TC 971-374 input on MFT 06 indicates a MLLC filed a Form 1120-S that failed to post to MF and a phone call was made or a letter has been issued to the preparer/taxpayer. No reply was received, and the return was removed from processing. A TC 971-374 should only be input for a multi-member LLC. AC 374 can also be used on a TC 972 to reverse the transaction.

IRM 3.13.2.23.7(16)(B)(3) - Added instruction to send the Form 2553 back to the taxpayer with the Letter 385C.

IRM 3.13.2.23.7(16)(C)(1) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(16) See chart below for processing duplicate Forms 2553:

If...	And...	Then...
A) Taxpayer submits Form 2553,	1) Form 2553 has same effective date as Master File and election was approved within last 45 days,	Prepare Form 2553 for destruction as classified waste per local procedures.
A) Taxpayer submits Form 2553,	2) Form 2553 has same effective date as Master File and election was approved more than 45 days ago,	Send Letter 385C to taxpayer. Prepare Form 2553 for destruction as classified waste per local procedures.
B) Taxpayer submits new Form 2553 with earlier effective date than what is on Master File,	1) Proper Rev. Proc. documentation is attached,	Input TC 092, TC 090, PDC 1, with earlier effective date, suppress notice and send Letter 385C.
B) Taxpayer submits new	2) Proper Rev. Proc. documentation	Return the Form 2553 with a Letter 385C informing taxpayer of their

Form 2553 with earlier effective date than what is on Master File,	is not attached or the form is incomplete and the taxpayer is still eligible for relief,	current effective date which was not changed due to incomplete form and/or proper documentation not attached.
B) Taxpayer submits new Form 2553 with earlier effective date than what is on Master File,	3) Proper Rev. Proc. documentation is attached and the taxpayer is not eligible for relief,	Return Form 2553 in a Letter 385C to taxpayer informing them of the effective date on Master File and that their only recourse is a Private Letter Ruling (PLR). See IRM 3.13.2.23.10, Chief Counsel Referrals.
B) Taxpayer submits new Form 2553 with earlier effective date than what is on Master File,	4) Proper Rev. Proc. documentation is attached, the form is incomplete, and the taxpayer is still eligible for relief,	Return Form 2553 in a Letter 385C, inform T/P of their current effective date, missing information on Form 2553, and instruct them to re-submit their Form 2553 with all required documentation for approval of their newly requested effective date.
C) Taxpayer submits new Form 2553 with later effective date than what is on Master File,	1) Research (of IDRS and Secretary of State's database, see Exhibit 3.13.2-8) shows original effective date is correct,	Send Letter 385C to taxpayer. Associate Form 2553 with original TC 090 DLN.
C) Taxpayer submits new Form 2553 with later effective date than what is on Master File,	2) Research (of IDRS and Secretary of State's database) shows later effective date is correct,	Input TC 092, TC 090, PDC 1, with later effective date.

IRM 3.13.2.23.24(1) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(1) If an Entity reorganizes/converts at the state level and maintains the same structure (officers, employees, type of business), the entity may retain their EIN. Follow guidelines listed below:

- Information found on the Secretary of State sites, see Exhibit 3.13.2-8, identifying the reorganization/conversion can be used for case documentation without contacting the taxpayer. Print documentation to attach to the case.

Note: If the state does not allow conversions and requires the entity to re-register, the taxpayer is allowed to keep their EIN if it maintains the same structure. The taxpayer must submit a signed statement stating they have converted with the state.

- If unable to secure documentation from the SOS, contact the taxpayer via telephone requesting the state paperwork showing the reorganization/conversion. If unable to secure documentation via phone, return any documents received to the taxpayer explaining the reason. Ensure open paragraphs are reviewed by lead TE. If unable to secure documentation, do not update the account.
- Update the taxpayer's name, address and/or FRCs as needed. Update LLC indicator as needed.
- Prepare a "dummy" Form 8832, see IRM 3.13.2.2 (11), BMF Entity - General, with the state paperwork attached. Input TC 074 (as a source document) effective the date the entity reorganized/converted. If the taxpayer submits a Form 8832, use it as the source document rather than preparing a "dummy" document. The FOE input will depend on the change to the Entity and the taxpayer's intent. See IRM 3.13.2.27.5(6), Processing Approved Form 8832.
- Send the taxpayer Letter 3064C or Letter 3574C stating our records have been updated to reflect their state reorganization/conversion.
- When using IAT SET tool on Form 2553, in conjunction with a state reorganization, applicable letters will be utilized.

Reminder: If the EIN reflects a previous TC 074/076, input a TC 075/077, respectively, to reverse the original election. Use a PDC 1 on the TC 074 input.

IRM 3.13.2.26(7) - Removed link to Secretary of State Website.

(7) It is important to remember that LLCs are distinct entities and are legally different than sole proprietorships, partnerships or corporations. LLCs file Articles of Organization with the Secretary of State or equivalent state entity, and they are considered to be officially formed at the time the signed articles are filed.

IRM 3.13.2.26(9) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(9) The suffix "LTD" does not automatically indicate that an entity is a corporation or a partnership/LLC. If the correct filing requirement cannot be determined, research the Secretary of State's website, see Exhibit 3.13.2-8, to confirm.

IRM 3.13.2.27.4(1) - Removed direction for Item 5, as it is not needed.

(1) For Form 8832 to be considered complete, the following items must be present:

- a valid EIN. An EIN will never be assigned from Form 8832.
- a valid signature.

Note: Digital signatures are now acceptable per IRM 10.10.1 and Exhibit 10.10.1-2

- Line 1 must be completed.

- An applicable entry must be made on lines 2 and 3 (unless **no** is checked in 2b).
- If Item 3 is marked "no", Item 4 must be complete. If owner is a foreign person or entity and does not have a U.S. identifying number, "none" should be entered on line 4b.
- Lines 6 through 10 must be completed. Line 7 is only applicable for foreign entities.
- If the taxpayer submits a Form 8832 with a Private Letter Ruling (PLR), the taxpayer is required to enclose a copy of their signed, unredacted version of the PLR. If not provided, return to taxpayer for missing information.

IRM 3.13.2.27.5(2) - Clarified source document (SD) information input in Remarks field and added Note to send completed Forms 8832 to files in gussets.

(2) Complete the following fields of IDRS for a TC 076, Approved Form 8832:

- DOC-CD> enter "53"
- BLK-SERIES> enter "95" for TC 076, if applicable. See IRM 3.13.2.23.5 , Determination of Prior Year Liability.
- TC> enter "076"
- SEQ-NUM> enter the three-digit number of the document.
- EFF-DT> enter in MM/DD/YYYY format.
- PARA-SEL-CD> see IRM 3.13.2.27.5(4) below.
- TOE> see IRM 3.13.2.27.5(5) below.
- FOE> see IRM 3.13.2.27.5(6) below.
- REMARKS> enter "SD" and the name of the entity. This will alert Files that the transaction document, Form 5147 must be associated with the Form 8832.

Note: Prepare Form 6502 and place on an accordion or gusset folder for the source documents that go to the Files Operation.

Reminder: TCs 074 are input on **deemed** entity classification elections.

IRM 3.13.2.27.13(1) - Corrected link to Exhibit 3.13.2-8, Secretary of State Websites.

(1) If an Entity reorganizes/converts at the state level and maintains the same structure (officers, employees, type of business), the entity may retain their EIN. Follow guidelines listed below:

- Information found on the Secretary of State site, see Exhibit 3.13.2-1, identifying the reorganization/conversion can be used for case documentation without contacting the taxpayer. Print documentation to attach to the case.

Note: If the state does not allow conversions and requires the entity to re-register, the taxpayer is allowed to keep their EIN if it maintains the same structure. The taxpayer must submit a signed statement stating they have converted with the state.

- If unable to secure documentation from the SOS, contact the taxpayer via telephone requesting the state paperwork showing the reorganization/conversion. If unable to secure documentation via phone, return any documents received to the taxpayer explaining the reason. Ensure open paragraphs are reviewed by lead TE. If unable to secure documentation, do not update the account.
- Update the taxpayer's name, address, and/or FRCs as needed. Update LLC indicator as needed.
- Prepare a "dummy" Form 8832, see IRM 3.13.2.2 (11), BMF Entity - General, with the state paperwork attached. Input TC 074 (as a source document) effective the date the entity reorganized/converted. If the taxpayer submits a Form 8832, use it as the source document rather than preparing a "dummy" document. The FOE input will depend on the change to the Entity and the taxpayer's intent. See IRM 3.13.2.27.5(6), Processing Approved Form 8832.
- Send the taxpayer Letter 3064C or Letter 3574C stating our records have been updated to reflect their state reorganization/conversion.
- When using IAT SET tool for Form 8832 or Form 2553, in conjunction with a state reorganization, applicable letters will be utilized.

Reminder: If the EIN reflects a previous TC 074/076, input a TC 075/077, to reverse the original election. Use a PDC 1 on the TC 074 input.

IRM 3.13.2.30.4(2) - Added note to remove FRCs if present. See IRM 3.13.2.30.1(8).

(2) Compare the information on Master File for both the customer/taxpayer and the CPEO. If information is incomplete or does not match, return form to CPEO with Letter 6094C for clarification. If the cross-reference EIN for the CPEO contains a typo, perfect the EIN.

Note: If employment tax filing requirements (FRC) are still listed for the taxpayer and renewal is approved, remove FRCs. See IRM 3.13.2.30.1 (8), Processing Form 8973.

IRM 3.13.2.30.4(5) - Added cross reference to 3.13.2.30.5, Form Database and added instruction to update CPEO signature date to date on form being processed in database.

(5) The renewal periods will be updated in the Database. See IRM 3.13.2.30.5 (6)(g), Form 8973 Database. Update CPEO signature date to date on form being processed.

IRM 3.13.2.30.6(1) - Correct cross reference for Files to 3.5.61.3.73.

(1) Completed Forms 8973 will be sent to RAAS for imaging. RAAS will then forward the Forms 8973 to the Files Operation per IRM 3.5.61.3.73, Form 8973, Certified Professional Employer Organization/Customer Reporting Agreement (OSPC Only).

Exhibit 3.13.2-8 - Added exhibit for all Secretary of State websites.

State	Website
Alabama	Alabama Business Entity Records
Alaska	Alaska Division of Corporations, Business and Professional Licensing
Arizona	Arizona Corporations Commission
California	California Secretary of State
Colorado	Colorado Secretary of State - Business Database Search
Connecticut	Connecticut Online Business Search
Delaware	Delaware Division of Corporations
Florida	Florida Search for Corporations, Limited Liability Companies, Limited Partnerships, and Trademarks by Name
Georgia	Georgia Business Name Search
Hawaii	Hawaii Business Express
Idaho	Idaho Secretary of State
Illinois	Illinois Business Entity Search
Indiana	Indiana Business Entity Search
Iowa	Iowa Business Entity Search
Kansas	Kansas Business Entity Search
Kentucky	Kentucky: Secretary of State - Online Services
Louisiana	Search for Louisiana Business Filings
Maine	Maine Search Corporate Names
Maryland	Maryland Business Entity Search
Massachusetts	Massachusetts Corporations Search
Michigan	Michigan Corporations Division - Search for a business entity
Minnesota	Minnesota Business Filings Search
Mississippi	Mississippi Secretary of State
Missouri	Missouri Business Filings
Montana	Montana Secretary of State
Nebraska	Nebraska Secretary of State - Corporation and Business Entity Searches
Nevada	Nevada Entity Search
New Hampshire	New Hampshire Secretary of State
New Jersey	New Hampshire Business Records Service
New Mexico	New Mexico Corporations Division
New York	New York Secretary of State
North Carolina	North Carolina Secretary of State Search
North Dakota	North Dakota Secretary of State
Ohio	Ohio Secretary of State Business Search-Business Name
Oklahoma	Oklahoma Search Corporation Entities

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Oregon	Oregon Business Registry Business Name Search
Pennsylvania	Pennsylvania Secretary of State
Puerto Rico	Puerto Rico Corporations Search
Rhode Island	Rhode Island Business Portal
South Carolina	Business Name Search - South Carolina Secretary of State
South Dakota	South Dakota Secretary of State - Business
Tennessee	Tennessee Business Entity Search - Business Services Online
Texas	Texas Business Entity Search
Utah	Utah Business Search
Vermont	Vermont Corporations Division
Virgin Islands	Virgin Islands Entity Search
Virginia	Virginia Secretary of State
Washington	Washington Corporations and Charities System
West Virginia	West Virginia Secretary of State Business Entity Search
Wisconsin	Wisconsin Corporate Records Search
Wyoming	Business Entity Search - Wyoming Secretary of State

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