

IRM PROCEDURAL UPDATE

DATE: 03/15/2024

NUMBER: wi-21-0324-0422

SUBJECT: Updates to Refund Research

AFFECTED IRM(s)/SUBSECTION(s): 21.4.1

CHANGE(s):

IRM 21.4.1.4(3) -Updated information given to check current operational status.

(3) Use the following table to determine if the processing time frame has been met. If prior to February 15th, probe the taxpayer to determine if they meet the PATH Act Section 201 criteria and advise them of the refund time frames specified in IRM 21.4.1.3.1, PATH Act Refunds.

Note: DO NOT conduct any refund research prior to the end of these time frames, unless conditions in the table in (4) below exist.

Return Type	Processing Time Frame
Paper refund return	<ul style="list-style-type: none">• 6 weeks for normal processing• For Injured Spouse returns see IRM 21.4.6.5.2, Injured Spouse Inquiries, for additional information. <p>Note: If taxpayer filed a Form W-7, Application for IRS Individual Taxpayer Identification Number, with their return, see IRM 3.21.263.8.4, Refund Inquiries Involving ITIN Issues.</p>
e-File refund return	<ul style="list-style-type: none">• 3 weeks (see above for time frame calculation guidance)• Refund research may begin after the 21st day <p>Caution: Tax returns meeting the PATH Act Section 201 criteria may exceed the 21 day time frame between the return received date and refund sent status.</p>
1040-X return (see (8) below for amended return information through IRS automation)	<ul style="list-style-type: none">• up to 16 weeks

Note: Processing times for Form 1040, U.S. Individual Income Tax Return, and/or Form 1040-X, Amended U.S. Individual Income Tax Return, may be

temporarily extended. For Form 1040, advise the taxpayer to go to IRS.gov web address and type "status of functions" in the search bar, and select "IRS operations: status of mission-critical functions" from the results to check the current operational status. For Form 1040-X, Amended U.S. Individual Income Tax Return, refer to Where's My Amended Return? to check current processing time frame.

Note: #



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Caution: Additional taxpayer authentication is required on modules where RIVO or CI-SDC indicators are present **and** a CP 53 series notice was issued (e.g., CP 53, 53A, 53B, 53C, or 53D) for the tax period in question. Follow the procedures in IRM 21.1.3.2.4, Additional Taxpayer Authentication, and refer to IRM 25.25.12.8, Limited Direct Deposit Refund Procedures. See IRM 21.4.1.5.8.1, Direct Deposit Reject Reason Codes, for additional CP 53 notice series information. If the caller cannot authenticate, provide the caller the toll-free appointment number, 844-545-5640, to schedule an appointment at one of the Taxpayer Assistance Centers (TACs), (Hours of operation: 7:00 a.m. to 7:00 p.m. local time; Hawaii and Alaska follow Pacific Time Zone). For non TPP calls, taxpayers may check their records and call back.

IRM 21.4.1.4(4) -Updated need for additional authentication before disclosing shared secrets.

(4) For current and prior two processing year individual accounts, ask the taxpayer if they've checked on the status of the refund by using one of the IRS automated systems: Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. Use the table below to determine your call resolution actions.

Note: If a taxpayer requests assistance with the IRS automated systems listed above, **do not** attempt to access the system for them. Instead, provide the taxpayer verbal instructions on where/how to obtain the status of their refund. If the caller is an unauthorized third party, do not refer them to the automated systems.

Exception: Regardless of the return processing time frame, if the taxpayer is calling in an attempt to stop a direct deposit for any reason, including an error in direct deposit information, and wants to flip the direct deposit to a paper check (TC 971 AC 850), follow procedures in IRM 21.4.1.5.7 (3), Direct Deposits - General Information. Remember to check for Refund Advance Product (RAL/RAC) indicators.

Reminder: For authentication procedures, see IRM 21.1.3.2.3, Required Taxpayer Authentication.

Row	If taxpayer's response is	Then
1	No, and the normal processing time frames have not been met.	<ol style="list-style-type: none"> 1. DO NOT access the taxpayer's account or complete any research. 2. Provide the taxpayer with appropriate return processing time frames and information about our automated refund applications: <ul style="list-style-type: none"> o Where's My Refund? on IRS.gov, now includes a "refund status tracker bar" that will show you which processing status your return is in: <ol style="list-style-type: none"> a. Return Received – no projected refund date is given b. Refund Approved – the refund date depending on direct deposit or paper check mailing is provided c. Refund Sent – informs the taxpayer of the date the refund was transmitted to the financial institution, or the date a paper check was mailed o IRS2Go (English and Spanish), our free mobile application for smart phones o Refund Hotline - 800-829-1954 - toll free assistors provide only if the taxpayer does not have access to a computer or the internet 3. Before ending the call, on Individual accounts, advise the taxpayer that the best way to get the most current information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is

		<p>specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers.</p> <ol style="list-style-type: none"> 4. Route them out to the automated Refund Hotline, transfer to extension 3158 for English or 3258 for Spanish. 5. If the taxpayer refuses to be routed to the automated Refund Hotline, ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.
2	<p>No, and the normal processing time frames have been met.</p>	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.4.1, Locating the Taxpayer's Return, for additional information. <p>Reminder: If, after research, it is determined the normal processing time frame has not expired, follow steps 2 -4 in the box below.</p> <ol style="list-style-type: none"> 2. Before ending the call, on Individual accounts, advise the taxpayer that the best way to get the most current information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that

		<p>updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers.</p>
3	<p>Yes, and the normal processing time frames have not been met, and they received a response saying, "We received your tax return and it is being processed," or "Your tax refund is scheduled to be sent to your bank on..."</p>	<ol style="list-style-type: none"> 1. DO NOT access the taxpayer's account or complete any research. 2. Advise the taxpayer that you are unable to provide any additional information than the information already provided by the automated system and provide the appropriate return processing time frames. 3. Before ending the call, on Individual accounts, advise the taxpayer that the best way to get the most current information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers. 4. Ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.
4	<p>Yes, and the normal processing time frames have not been met, and they originally received a response saying "We received your tax return and it is being processed," or "Your tax refund</p>	<p><i>DO NOT access the taxpayer's account or complete any research.</i></p> <p>Tell the taxpayer:</p> <ol style="list-style-type: none"> 1. The initial message is still accurate, we

	is scheduled to be sent to your bank on..." or other message regarding the refund status, but now the automated system returns a message indicating "no data available"	<p>received the return, and it is being processed. Provide the appropriate return processing time frames.</p> <ol style="list-style-type: none"> 2. The tool is updated no more than once a day – usually overnight. 3. They should wait and check the tool again tomorrow.
5	Yes, and the normal processing time frames have been met , and they originally received a response saying "We received your tax return and it is being processed," or "Your tax refund is scheduled to be sent to your bank on..." or other message regarding the refund status, but now the automated system returns a message indicating "no data available"	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. <p>Note: The automated systems may at times provide an incorrect response in error. Apologize for any inconvenience and conduct research.</p>
6	Yes, and the taxpayer provides a 4-digit reference number that they got on one of the automated systems or a " take action " message was received but no reference number	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.6, Internet Refund Fact of Filing (IRFOF), for further guidance, and Exhibit 21.4.1-3, Internet Refund Fact of Filing Reference Numbers, for a list of the most common reference codes. <p>Exception: If IDRS research reveals UPC 126 RC 0, see the guidance in the (1) Table in IRM 21.4.1.4.1.2, Return Found/Not Processed, for guidance.</p>
7	Yes, and the taxpayer was informed by the automated application that a change occurred to the refund amount for which the taxpayer needs additional information, or the taxpayer was provided with a call back number and 3-digit extension	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.5.1, Refund Not Sent or Amount Differs, for additional information.
8	Yes, but the automated application "cannot provide any information" and it has been more than 24 hours since the taxpayer received acknowledgement of their e-filed	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and confirm that they are using the correct shared secrets on the automated applications (TIN, filing status and expected refund amount, in whole dollar amount). Once additional

	<p>return or 4 weeks since they mailed their paper return</p>	<p>authentication is confirmed, provide correct shared secrets if applicable. Access CC FFINQ or CC REINF, if necessary. Do not provide any refund information, unless there is a TC 846 present. Do not continue with the steps below if the TC 846 status is provided.</p> <ol style="list-style-type: none"> 2. Before ending the call, on Individual accounts, advise the taxpayer that the best way to get the most current information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers. 3. Route them out to the automated Refund Hotline, transfer to extension 3158 for English or 3258 for Spanish. 4. If the taxpayer refuses to be routed to the automated Refund Hotline, ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.
9	<p>Yes, and the normal processing time frames have been met</p>	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.4.1, Locating the Taxpayer's Return, for additional information. 2. Before ending the call, on Individual accounts, advise the taxpayer that the best way to get the most current

		<p>information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers.</p>
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Reminder: Where's My Refund cannot provide any information on Form 1040-X or Form 8379, Injured Spouse Allocation, claims filed after the original return. To check the status of Form 1040-X taxpayers must use the Where's My Amended Return (WMAR) application on IRS.gov. See (8) below for Form 1040-X information through automation.

IRM 21.4.1.4.1.1 -Updated information given to check current operational status and perfected the information regarding amended returns for consistency.

(1) Review the following table to determine the required action for **paper returns**. See IRM 21.4.1.4 (3), Refund Inquiry Response Procedure, for normal processing time frames.

If maximum normal processing time is:	Then
Not met	<ul style="list-style-type: none"> Advise the taxpayer of the normal processing time, and to visit Where's My Refund at IRS.gov, or the IRS2Go (English and Spanish) phone application from a smart phone, for current refund information if the refund is not received within the time frame provided. Where's My Refund can inform the individual taxpayer if the IRS received the original return, and the projected date of the refund.

	<p>Automated systems are not available for business taxpayers.</p> <p>Note: DO NOT offer the toll free Refund Hotline, 800-829-1954, as an option unless the taxpayer states they do not have a computer or internet access.</p> <p>Reminder: Where's my Refund (WMR) provides refund information for the current processing year plus two prior year returns and cannot provide any information on Form 1040-X, Amended U.S. Individual Income Tax Return.</p>
<p>Met and the tax module indicates that a paper return was received, but was not processed</p> <p>or</p> <p>Met, but no record that a paper return was received</p>	<ul style="list-style-type: none"> • Apologize for the delay and advise the taxpayer that we are working returns in the order they were received. • Advise the taxpayer: "In most instances, no further action is needed. Whether you filed electronically or by paper, we will contact you by mail if we need more information or if we made a change to your return." • If the taxpayer filed on paper more than six months ago and is due a refund, and Where's My Refund? does not have any information about the status of their return, advise them to resubmit the tax return, electronically if possible. If resubmitting electronically, advise the taxpayer to ensure they receive a confirmation email from the e-file provider that the IRS accepted their return for filing. If resubmitting by paper, make sure the return includes an original signature and all documents submitted with the original return. • To check the current operational status, advise the taxpayer to go to IRS.gov web address and type "status of functions" in the search bar, "IRS operations: status of mission-critical functions" is the top choice listed in the results. <p>Note: If the taxpayer received a CP 80, follow guidance above. For more information regarding CP 80, see IRM 21.2.4.3.44.2, CP80/CP080 Resolution, and AMRH12 Reply Received.</p>

(2) Review the following table to determine the required action for **electronically filed (e-filed) returns**. See IRM 21.4.1.4 (3), Refund Inquiry Response Procedure, for normal processing time frames.

If maximum normal processing time is:	Then
Not met	<ul style="list-style-type: none"> • Advise the taxpayer of the normal processing

	<p>time, and to visit Where's My Refund at IRS.gov, or the IRS2Go (English and Spanish) phone application from a smart phone, for current refund information if the refund is not received within the time frame provided. Where's My Refund can inform the individual taxpayer if the IRS received the original return, and the projected date of the refund. Automated systems are not available for business taxpayers.</p> <p>Note: DO NOT offer the toll free Refund Hotline, 800-829-1954, as an option unless the taxpayer states they do not have a computer or internet access.</p> <p>Reminder: Where's My refund cannot provide any information on Form 1040-X, Amended U.S. Individual Income Tax Return.</p>
Met and the tax module indicates that an e-filed return was received , but was not processed . For more information, see IRM 21.4.1.4.1.2 (2), Return Found/Not Processed.	<ul style="list-style-type: none"> • If the taxpayer filed electronically, advise them if they received an acknowledgement, they do not need to take any further action other than promptly responding to any requests for information. • If no acknowledgement received, advise them to refile.
Met but no record of an e-File return	<ul style="list-style-type: none"> • For original returns, see the table in IRM 21.4.1.4.1 (1), Locating the Taxpayer's Return, for SCFTR return research procedures. • If no information found on CC SCFTR, advise taxpayer to refile. See IRM 21.2.1.22, Modernized e-File (MeF/TRDB), and IRM 3.42.5.14.5, Forms for 1040 Modernized e-File (MeF), for limitations on e-filed current and prior year returns.

(3) Review the following table to determine the required action for **amended returns**. See IRM 21.4.1.4 (3), Refund Inquiry Response Procedure, for normal processing time frames.

If maximum normal processing time is:	Then
Not met	<ul style="list-style-type: none"> • Advise the taxpayer of the normal processing time, and to visit Where's My Amended Return at IRS.gov, or by telephone, using the toll-free number 866-464-2050 (must use a touch-tone

	<p>phone).</p> <ul style="list-style-type: none"> • Where's My Amended Return (WMAR) can track the status of their Form 1040-X for the current year and up to three prior years. They must wait three weeks after filing the form before using WMAR. Consistent messages are provided by the phone and web versions of WMAR. • Automated systems are not available for business taxpayers.
Met and the tax module indicates that a Form 1040-X was received , but was not processed (e.g., TC 971 AC 120)	<ul style="list-style-type: none"> • Apologize for the delay and advise the taxpayer that we are working returns in the order they were received. • Advise the taxpayer: "In most instances, no further action is needed. Whether you filed electronically or by paper, we will contact you by mail if we need more information or if we made a change to your return." • If the taxpayer filed electronically, advise them if they received an acknowledgement, they do not need to take any further action other than promptly responding to any requests for information. If no acknowledgement received, advise them to refile.
Met, but no record that a Form 1040-X was received	If the taxpayer filed their amended return more than 36 weeks prior to the date of the inquiry and there is no indication of receipt, apologize for the delay and advise the taxpayer to refile the amended return, electronically if possible. If resubmitting by paper, make sure the amended return includes an original signature and all documents submitted with the original amended return.

For more information, see IRM 21.5.3.3.1, Locating Amended Returns (Form 1040X), and IRM 21.2.1.59 Where's My Amended Return (WMAR).

IRM 21.4.1.4.1.2.1 -Updated to prevent information from being given to taxpayer on TPP accounts.

(1) If the module shows the original return went unpostable during processing, determine:

Note: Business rules for unpostable (UPC) 147 reason (URC) 1/6/7/8 are obsolete as of January 2017. Instructions have been removed from the chart below.

Row	If	Then
1	An unpostable condition other than UPC 126 or UPC 147 has NOT been corrected, whether viewable in CC UPTIN or not.	If available, use CC UPCASZ to notify the unpostable function of correction needed. See IRM 21.5.5.3.3, Responding to Taxpayer Inquiries on an Open Unpostable, for further guidance. Note: The IAT UP Histories tool can be used to leave a history item.
2	An unpostable condition including UPC 126 or UPC 147 has been corrected Note: The closed UPC 147/126 resulted in a return moved to MFT 32	<ul style="list-style-type: none"> • Advise taxpayer to allow 9 weeks from the closing date for processing. See IRM 21.5.5.3.4, Responding to Inquiries on a Closed Unpostable. • If 9 weeks have passed and refund has not been issued, see IRM 25.25.6.6.4, Taxpayer Protection Program (TPP) Issue Resolved - Refund Not Received.
3	The UPC 126 RC 0 is closed with a URC of 0	See IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers, for procedures
4	The UPC 147 RC 0 is closed with a URC of 0	See IRM 25.23.2.7.3, Identity Theft Identified by Submission Processing, for more information. <ul style="list-style-type: none"> • Advise taxpayer to allow 9 weeks from the closing date for processing.
5	Unpostable condition is an unresolved UPC 126 RC 0 and is not viewable on CC UPTIN and the normal processing time frames have not been met.	<ul style="list-style-type: none"> • Advise the taxpayer to allow the normal processing time frames in IRM 21.4.1.4, Refund Inquiry Response Procedures. • Advise the taxpayer that they should receive either their refund or correspondence within those time frames.
6	Unpostable condition is an unresolved UPC 126 RC 0 and is not viewable on CC UPTIN and the normal processing time frames have been met.	If the UPC 126 RC 0 posted to the account within 14 days of the date of the call, advise the caller that additional information is required to complete the processing of their return and to allow 14 days to receive a letter with further

		instructions. Advise the caller to call IRS at 800-829-1040 if they do not receive a letter within 14 days from the date of the call.
7	Unpostable condition is an unresolved UPC 126 RC 0 and is not viewable on CC UPTIN and the normal processing time frames have been met.	If the UPC 126 RC 0 posted to the account more than 14 days prior to the date of the call, see IRM 25.25.6.6.2 (3), Procedures for when the Caller has not Received or Lost the Taxpayer Protection Program (TPP) Letter, follow instructions under "NOTE" in paragraph 3.
8	Unpostable condition is an unresolved UPC 126 RC 0 and is viewable on CC UPTIN.	CSRs should see IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers. Note: Do not use CC UPCASZ on UPC 126 RC 0.
9	The UPC 147 RC 0 unpostable remains open and it's been 8 cycles or less since the transaction went unpostable.	<ul style="list-style-type: none"> Advise the taxpayer to allow 8 weeks for resolution and they should receive either their refund or correspondence within that time frame. For paper inquiries, follow procedures in paragraph (2) below.
10	The UPC 147 RC 0 unpostable remains open or is in suspense and it's been more than 8 cycles since the transaction went unpostable.	<ul style="list-style-type: none"> When the contact is from the taxpayer or authorized representative, send Form 4442/e-4442, Inquiry Referral, to Submission Processing using the Form 4442 Submission Processing Unpostable Referral Listing. Select category, "Refund" then select "SPIDT". Unpostable cases may not show the assigned IDRS numbers initially, however the referrals should still be sent according to the Responsible Campus. Advise the taxpayer they should receive their refund or correspondence within 12 weeks. If the taxpayer contacts us after the 12 weeks, follow the procedures in IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines. For paper inquiries, follow procedures in paragraph (2) below.
11	The UPC 147 RC 0 is closed, the return has posted to MFT 32 (TC 971 AC 111 present on MFT 30), and TC 971 AC 506 with "WI SP	<ul style="list-style-type: none"> When the contact is from the taxpayer or authorized representative, perform additional authentication per IRM 21.1.3.2.4, Additional Taxpayer

	UPC 147" is in the MISC field on CC ENMOD and CC IMFOLE.	<p>Authentication.</p> <ul style="list-style-type: none"> • If the caller passes additional authentication, send Form 4442/e-4442 to the SP IDT team at the site of the closed unpostable. Follow routing procedures in the bullet below. Select category, "Refund" then select "SPIDT" • See IRM 3.28.4.7 (2), Review of Deleted Returns - UPC 147 RC 0 Only, for routing based on the DLN of the return. • Include authentication results in AMS. • Advise the taxpayer they should receive their refund or correspondence within 12 weeks. • If the taxpayer contacts us after the 12 weeks, follow the procedures in IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines. • If the caller cannot authenticate, provide the caller the toll-free appointment number, 844-545-5640, to schedule an appointment at one of the Taxpayer Assistance Centers (TACs), (Hours of operation: 7:00 a.m. to 7:00 p.m. local time; Hawaii and Alaska follow Pacific Time Zone). After authenticating, TAC assistors should then follow the guidance above. • For paper inquiries, follow procedures in paragraph (2) below.
12	Unpostable condition is UPC 147 RC 0 and URC D (deleted) condition shows on CC TRDBV as "GUF VOIDED/DELETED"	<p>Submission Processing Identity Theft (SPIDT) has deleted the return:</p> <ul style="list-style-type: none"> • When the contact is from the taxpayer or authorized representative, perform additional authentication per IRM 21.1.3.2.4, Additional Taxpayer Authentication. If the caller passes, follow the guidance in IRM 3.28.4.7 (2), Review of Deleted Returns - UPC 147 RC 0 Only. • Advise the taxpayer to allow the normal processing time frames shown in IRM 21.4.1.4, Refund Inquiry

		<p>Response Procedures.</p> <p>Note: Taxpayers inquiring about an account with an indication of "SPIDT STILL BAD" on CC TXMOD or AMS should be advised to submit their correct, signed paper return with all supporting documentation to the fax number/address shown in IRM 3.28.4.7 (2), Review of Deleted Returns - UPC 147 RC 0 Only. Normal processing time frames apply to the newly submitted return.</p> <ul style="list-style-type: none"> • If the caller cannot authenticate, provide the caller the toll-free appointment number, 844-545-5640, to schedule an appointment at one of the Taxpayer Assistance Centers (TACs), (Hours of operation: 7:00 a.m. to 7:00 p.m. local time; Hawaii and Alaska follow Pacific Time Zone). After authenticating, TAC assistors should then follow the guidance above. • For paper inquiries, if AMS does not show the taxpayer has authenticated, send Letter 109C advising the taxpayer to call IRS at 800-829-1040 the hours of operation are Monday through Friday, 7:00 a.m. to 7:00 p.m., local time, with the exception of Puerto Rico which is 8:00 a.m. to 8:00 p.m., local time. Advise the taxpayer that the return has been selected for further review and that we'll need to speak with them to validate the information that was submitted. Close your case. If AMS shows the taxpayer has been authenticated, forward the tax return using the instructions in IRM 3.28.4.7 (2), Review of Deleted Returns - UPC 147 RC 0 Only.
13	Unpostable condition is UPC 147 RC 4 with Special Processing Code (SPC) 9. SPC 9 is displayed on CC TRDBV. Select	This is an indication of a return attempting to post on a deceased taxpayer account. Cases should be worked the same as accounts with TC 971 AC 524. See IRM 21.6.6.2.21.3, CP

"GUF VOIDED-DELETED" and then "CODES."	01H Notice or Letter 12C Decedent Account Responses, for guidance.
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Note: CC TRDBV will have the necessary information to identify which unpostable and reason code was used on the original return if the unpostable is no longer showing on IDRS.

Note: See IRM 21.5.5, Unpostables, and IRM 3.12.179, Individual Master File (IMF), Payer Master File (PMF) Unpostable Resolution, for complete instructions.

(2) If no return is posted and indicators exist for MFT 32, when working Form 3911, Form 1310, or other correspondence, take the following actions:

- Send Letter 109C advising the taxpayer to call IRS at 800-829-1040 the hours of operation are Monday through Friday, 7:00 a.m. to 7:00 p.m., local time, with the exception of Puerto Rico which is 8:00 a.m. to 8:00 p.m., local time. Advise the taxpayer that the return has been selected for further review and that we'll need to speak with them to validate the information that was submitted.
- Destroy Form 3911 and Form 1310 as classified waste. See IRM 21.5.1.4.10, Classified Waste.
- Close your case.
- For additional information on refund inquiries, see IRM 21.4.2, Refund Trace and Limited Payability, and IRM 21.4.3, Returned Refunds/Releases.

IRM 21.4.1.4.1.2.6(5) -Updated information given to check current operational status

(5) Prior Campus closures have caused delays in ERS/Rejects, these delays include tax year 2022 returns, 2021 returns that need review or correction and late filed prior year returns. If the taxpayer is calling to check on the status of their refund apologize for the delay. Advise the taxpayer this work does not typically require us to correspond with taxpayers, but it does require special handling by an IRS employee, so in these instances it is taking the IRS more than the normal processing time frame to issue any related refund. Do not advise the taxpayer to resubmit the requested information. Advise the taxpayer that the best way to get the most current information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline.

Note: If the taxpayer inquires how long they will need to wait for resolution of a tax return filed in 2022, advise the taxpayer to go to IRS.gov web address and type "status of functions" in the search bar, and select "IRS operations: status of mission-critical functions" from the results to check the current operational status.

IRM 21.4.1.5.7 -Updated expand on where RAL/RAC codes can be located on MeF Return Request Display (RRD).

(1) Direct deposits are allowed on current and prior tax year returns, this includes IMF prior year original returns. As of February 2023, direct deposits are also available on tax year 2021 and subsequent electronically filed Form 1040-X, Amended U.S. Individual Income Tax Return. For more information, see IRM 21.5.3.4.18.1, Direct Deposit for Amended Returns.

Note: Direct deposits cannot currently be requested on a paper filed Form 1040-X, Amended U.S. Individual Income Tax Return. There are certain exceptions when a direct deposit may be issued on a paper filed Form 1040-X (i.e., math error on original return). Review IRM 21.4.1.5.7.1, Direct Deposit of Refunds.

Reminder: Bank account information cannot be updated via IDRS.

Reminder: According to the **Protecting Americans from Tax Hikes Act of 2015 (PATH Act) Section 201(b) which is codified at IRC 6402(m)**, the IRS cannot issue refunds, including applying credit elects, before **February 15** (15th day of the second month for fiscal year filers) for tax returns that claim the Earned Income Tax Credit (EITC) or the Additional Child Tax Credit (ACTC). This applies to the entire refund, even the portion not associated with these credits.

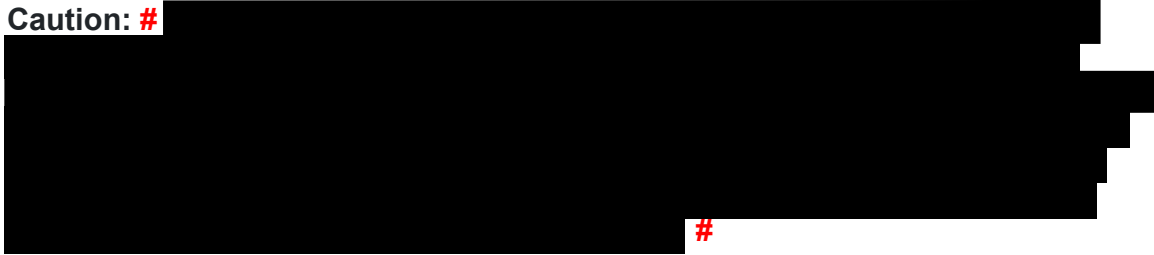
(2) The Refund Product Code indicators, which include other Refund Advance Products (RAC/RAL), can be found on CC TRDBV under the attribute of **Refund Anticipation Loan Code** and on MeF Return Request Display (RRD) under Code and Edit values titled REF Anticipation Loan Ind. Treat Refund Product Codes 1-4 as a Refund Advance Product (RAL/RAC) and refer taxpayers to their tax return preparer or the financial institution. If there is **no** RAL/RAC code 1-4 present on CC TRDBV, the refund **should not** be considered a Refund Advance Product.

Refund Anticipation Loan Code	DEFINITION
0	NO FINANCIAL PRODUCT
1	PRE-REFUND ADVANCE PRODUCT - TAXPAYER CHARGED AN ADVANCE FEE - Refund Anticipation Loan (RAL)
2	POST-REFUND FINANCIAL PRODUCT (REFUND TRANSFER) - Refund Anticipation Check (RAC)
3	PRE-REFUND ADVANCE PRODUCT - TAXPAYER NOT CHARGED AN ADVANCE FEE
4	OTHER/NEW PRODUCT - Not meeting any of the above criteria
5	TEXT FIELD TO EXPLAIN OTHER/NEW PRODUCT #4

Note: Refund Product Elect Indicator: Identifies whether the taxpayer elected a Refund Product or not. Refund Product refers to a Refund Transfer or an Early

Access Product that is obtained through the tax return provider at the time of tax preparation or filing.

Caution: #



(3) If a taxpayer files their original or amended tax return and requests a direct deposit of their refund, and later requests to stop the direct deposit, the direct deposit may be stopped by inputting a TC 971 AC 850. Unless a freeze condition is holding the refund, this action must be done **prior to** the posting of the refund (TC 846) from either the original return (TC 150) or amended return adjustment on CC IMFOLT. Input of a TC 971 AC 850 will result in the issuance of a paper refund check to the address shown on the taxpayer's tax return. If the refund has posted, the direct deposit cannot be prevented by input of TC 971 AC 850, UNLESS the refund is frozen (e.g., -R, P- freeze, etc.). In the case of a freeze condition, the TC 971 AC 850 must post before, or in the same cycle as the refund. See IRM 21.4.1.5.7.1, Direct Deposit of Refunds, for further guidance.

Caution: Prior to taking any action to change how the refund is issued, research CC TRDBV for Refund Anticipation Loan (RAL/RAC) code and follow guidance in If/Then chart below.

If	And	Then
e-Filed return	CC TRDBV or MeF Return Request Display (RRD) shows a RAL/RAC code of 1 - 4	Taxpayer must be referred to the financial institution or tax return preparer. Follow the instructions in IRM 21.4.1.5.7.1 (7), Direct Deposit of Refunds.
e-Filed return	CC TRDBV or MeF Return Request Display (RRD) does NOT show a RAL/RAC code of 1 - 4	<ul style="list-style-type: none"> • Input TC 971 AC 850 if the refund (TC 846) has not posted on CC IMFOLT. • Advise the taxpayer you are requesting the issuance of a paper check, however, due to timing issues, the request may be too late and a direct deposit may still be issued. • Advise the taxpayer they should also contact the financial institution. <p>Note: Since the TC 971 AC 850 takes two cycles to post, consideration must be given to posting cycles when inputting TC 971 AC 850 on Masterfile accounts.</p>
e-Filed return	CC IMFOLT shows the refund (TC 846) already posted	<ul style="list-style-type: none"> • Advise the taxpayer the refund cannot be issued as a paper check. • Provide the taxpayer with refund

		<p>information and advise them to contact us again if it is not received after 5 calendar days.</p> <ul style="list-style-type: none"> • If 5 calendar days have passed and the taxpayer has not received their direct deposit, see IRM 21.4.1.5.7.1, Direct Deposit of Refunds.
Paper return	<ul style="list-style-type: none"> • CC IMFOLT does not show a refund (TC 846) posted 	<ul style="list-style-type: none"> • Input TC 971 AC 850 • Advise the taxpayer you are taking the necessary steps to have their refund issued as a paper check, however, due to timing issues, the request may be too late and a direct deposit may still be issued.

Note: If during the conversation it is determined the taxpayer did not request direct deposit, refer to IRM 21.4.1.5.9.5, Taxpayer Expecting a Paper Check But Refund Issued as Direct Deposit.

(4) In 2010, taxpayers could elect to get their tax refund in the form of Series I U.S. Savings Bonds. In 2011, and on tax year 2010 and subsequent returns, taxpayers have more options available for purchasing savings bonds.

- Form 8888, Allocation of Refund (Including Savings Bond Purchases), will now give the taxpayer the option to designate up to 3 unique savings bond elections: 1 for the taxpayer themselves, and 2 designations can be as gift bonds to someone other than the taxpayer and/or as a purchase for a beneficiary.
- If the amount of the refund is increased because of a math error, the savings bonds will be issued, and the additional amount will be refunded in the form of a paper check or direct deposit if designated on the Form 8888. See Form 8888, Allocation of Refund (Including Savings Bond Purchases), for additional information.
- The purchase request must be in increments of \$50 and may not exceed \$5,000. If either of these conditions are not met, or if there was a math error on the return that reduces the amount of refund, or invalid information on the Form 8888, per IRM 21.4.1.5.7.1 (1), Direct Deposit of Refunds, the refund will be issued as a paper check.

Note: The \$5,000 limitation is for purchases of paper, I Series U.S. savings bonds in any calendar year. The only way to get paper savings bonds now is to use your IRS tax refund. In any one calendar year, the taxpayer may buy up to \$10,000 in Series EE electronic savings bonds AND up to \$10,000 in Series I electronic savings bonds for themselves as a direct purchase through the U.S. Treasury Department at Treasury Direct.

- Except in the case of a math error reduction, any amount over and above the \$50 increment may be direct deposited into a savings, checking or IRA account, or refunded as a paper check.

Example: For example, if the refund is \$275, the taxpayer can choose to get paper I Series savings bonds in the amount of up to \$250, and the remaining \$25 can be direct deposited into a savings, checking or IRA account or refunded in the form of a paper check.

Note: Savings bonds cannot be purchased on late filed or amended prior year tax returns.

(5) On January 1, 2016, the Department of the Treasury launched a program called myRA, offering taxpayers the opportunity to receive their refund in the form of a starter retirement account. Treasury is now phasing out the myRA program and is **no** longer accepting new enrollments.

- The myRA type refund can be identified on CC TXMOD and CC IMFOL by a unique routing number (111925074).
- Taxpayers received their own account number when they signed up for myRA.
- If the taxpayer claims non-receipt, and IDRS indicates the refund was a myRA, provide the following appropriate phone number:
855-406-6972
855-408-6972 (TTY)
414-365-9616 (International)
- See Form 8888, Allocation of Refund (Including Savings Bond Purchases), for additional information.
- The refund trace process will follow the same procedures as any other direct deposit.

(6) Various tax return preparers also offer non-Treasury prepaid debit cards as a method to receive tax refunds. Taxpayers who want to select this method for their refund should contact their preparer or the issuer of the debit card for information regarding the use of these cards for receiving refunds. This includes the routing transit number and account number, any fees associated with the card's use, how to enter the request on the tax return in the direct deposit section of the refund, and limits on the amount of deposits and withdrawals. Refund traces on these accounts will follow the same procedures as any other direct deposit. See IRM 21.4.1.5.7.4, Non-Receipt, Lost, Stolen or Destroyed Prepaid Debit Cards, for more information.

(7) There are also other prepaid reloadable debit cards offered by various vendors, such as department stores, etc. As in the case of the preparer debit cards, taxpayers inquiring about using a prepaid debit card to receive their tax refund should be directed to the vendor offering the card. The vendor will be able to provide information such as the routing transit number and account number, any fees associated with the card's use, how to enter the request on the tax return in the direct deposit section of the refund, and limits on the amount of deposits and

withdrawals. Refund traces on these accounts will follow the same procedures as any other direct deposit. See IRM 21.4.1.5.7.4, Non-Receipt, Lost, Stolen or Destroyed Prepaid Debit Cards, for more information.

Reminder: Do not initiate a trace for Economic Impact Payment pre-paid debit cards. See IRM 21.6.3.4.2.13.2 (5), Economic Impact Payments - Refund Inquiries, for more information regarding non-receipt, lost, stolen or destroyed Economic Impact Payment pre-paid debit cards.

(8) Taxpayers can request their refund be deposited (split) into as many as three bank accounts/investment vehicles that are held in the taxpayer's name; a combination of savings, checking, Individual Retirement Account (IRA), or Series I Savings Bonds. Split Refunds will be allowed on all Forms 1040 series (paper and electronic returns). Taxpayers who want their refund deposited into more than one account will be required to complete a Form 8888. The request for split refund will be honored if all of the following conditions are met:

- The return is for the current tax year.
- The refund is issued in the same cycle that the return is processed.
- The module does not contain any condition that would cause the refund to be frozen (e.g., Injured Spouse Claim).
- The bank account numbers on the Form 8888 are all valid (e.g., correct amount of numbers).
- The savings bond request is for tax year 2009 or subsequent and is in increments of \$50 with a maximum of \$5,000.

Caution: Under current programming for split refund requests made through Form 8888, IMF only stores the information from the first bank account on Form 8888. Thus, if the refund is held beyond the first cycle, a split refund does not occur, and the entire amount is direct deposited into the first bank account listed on Form 8888.

Note: If the above conditions are not met, a paper check will be issued. See IRM 21.4.1.5.7 (11) below for the exception regarding invalid bank account numbers.

Note: Taxpayers should be informed that they should not agree to have any portion of their refund direct deposited into an account that is not in their name (e.g., tax return preparer's account). If Form 8888 contains account information that does not belong to the taxpayer, the resolution may become a civil matter between the taxpayer and that third party.

(9) A split refund indicator on IDRS will be used to identify refunds as follows:

- 0 - not a split refund (entire refund goes to one place). All paper refunds and direct deposited refunds to one account will have this indicator.
- 1 - Refund that appears 1st on Form 8888.
- 2 - Refund that appears 2nd on Form 8888.
- 3 - Refund that appears 3rd on Form 8888.

(10) Changes made by the IRS that increase or reduce the total refund will affect the amount identified with split refund code 3, then refund code 2, then 1, if relevant.

(11) Since the refunds at BFS will be sorted in ascending order by Routing Transit Numbers (RTN), offsets will be taken in RTN order, not by the split refund indicator. There are times when BFS transmits the information to the financial institution and the routing number is invalid or the bank account has been closed. When this occurs, part of the refund may be issued in a paper check and part may be direct deposit.

(12) As of 2015, the IRS now limits the number of refunds that can be electronically deposited into a single account or pre-paid debit card to three. Any additional refunds will be issued as a paper check. See Understanding Your CP53D Notice, and Direct Deposit Limits, on IRS.gov, for additional information regarding the limitation.

(13) If a taxpayer has not received their direct deposit, see IRM 21.4.1.5.7.1, Direct Deposit of Refunds.

IRM 21.4.1.5.7.5 -Updated to include information regarding the use of CC IMFOBN.

(1) If the taxpayer requested but did not receive a direct deposit refund, compare the routing transit number (RTN) and the account number on the tax return to IDRS and the FS Form 150.1/TCIS.

Note: When necessary, employees must order the return to verify the direct deposit account information. Use information available through IDRS research to make the determination (i.e., use MeF data for e-filed returns, CC TRDBV, etc), prior to initiating a document request (CC ESTAB).

Note: When bank account information has been updated through Get My Payment (GMP) or other sources, the entity module is marked with a TC 971 AC 199 with "EF" in the last two positions of the MISC field. The DLN for GMP includes 99999 (GMP Bank Account information); other sources include 888XX (if XX is 77 then an Industry supplied the bank account information. If XX is 88 then BFS or Non-filer: SSI; SSA; RRB; VA or Foreign supplied bank account information).

Note: The FS Form 150.1 is an official request from the Department of the Treasury to the bank on behalf of the taxpayer to search for the Electronic Funds Transfer. After the initial response to the FS Form 150.1, the Department of the Treasury may issue the "R06" letter to the banking institution. If the FS Form 150.1 contains a message such as, "R06 sent", "send R06" or TCIS contains notes that an R06 letter was issued, this is an indication of a suspense action at BFS. Both the FS Form 150.1 **and** the bank's response to the R06 letter must be scanned to TCIS before the case can be closed at BFS and listed on the IRS Daily Closure Report. If the FS

Form 150.1 contains any of the "R06" indicators mentioned previously, **and** the account information does **not** match, continue with procedures as indicated below regardless of the "R06" indication.

(2) Follow the procedures in paragraphs (3) through (6) if information provided on the FS Form 150.1 or any contact with the bank or financial institution, does not resolve the issue for the taxpayer. Depending on the information provided by the bank on the FS Form 150.1 annotate the account as follows:

If	Input
IRS error caused the incorrect deposit	TC 971 AC 851
Preparer/taxpayer caused the incorrect deposit	TC 971 AC 852
Bank error caused the incorrect deposit	TC 971 AC 853

(3) If either the RTN, account number, and/or taxpayer name of the deposited refund does not match the information found in TCIS, IDRS or the tax return information, or if TCIS does not match IDRS and the IRS caused the error, complete the following:

- a. Issue a manual refund to the correct taxpayer as soon as possible to make the taxpayer whole and limit credit interest.

Exception: For issues arising from Economic Impact Payments (EIP) or Advance Child Tax Credit (AdvCTC) payments, do not issue a manual refund. After completing procedures in 3b and 3c below, follow procedures in paragraph 4, 5 or 6 as appropriate.

Note: IRS employees are not permitted to contact the bank to request the identity of the account owner who received the erroneous refund. Use CC IMFOBN to confirm the identity of the account owner who received the erroneous refund as indicated on FS Form 150.1, see IRM 2.3.51-32, Command Code IMFOB Output Display — Direct Deposits.

- b. Contact the financial institution (FI) by telephone and request their assistance in recovering the funds. You may provide the taxpayer's name, refund amount, the date, the routing transit number and the account number to the financial institution. If the bank recovers the direct deposit refund, request they return it to BFS through normal procedures. If the bank does not respond within 15 calendar days, contact the bank again. Allow an additional 15 calendar days for the bank to respond. If the bank does not respond, follow erroneous refund procedures in IRM 21.4.5, Erroneous Refunds.
- c. If the financial institution requests a letter from IRS before returning the funds, Refund Inquiry should send the letter in Exhibit 21.4.1-4, Bank Letter to Recover Direct Deposits, that has been approved by Chief Counsel for use by Accounts Management. It is not a "letter of indemnity", so if the bank will not accept it, follow the guidance above to complete your case. If the bank does not respond within 15 calendar days of the letter, contact the bank by phone to determine the status of the request.

Note: IRS employees are not permitted to contact the bank to request the identity of the account owner who received the erroneous refund.

(4) Do not issue a replacement check for the first, second or third round of Economic Impact Payments.

Note: EIP 1 & 2 are located on 202012 tax module and EIP 3 can be located on the 202112 tax module.

Note: These procedures will be used for both misdirected direct deposit and Limited Pay checks when EIP is involved.

- a. If the taxpayer **has** filed their 2020 (EIP 1 & 2) or 2021 (EIP 3) tax return, follow procedures in IRM 21.6.3.4.2.14.1, Recovery Rebate Credit - Adjusting the Credit, to allow the Recovery Rebate Credit to generate a refund to the taxpayer. Then, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to reverse the EIP credit (if not done systemically).
- b. If the taxpayer **has not** filed their 2020 (EIP 1 & 2) or 2021 (EIP 3) tax return, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to reverse the EIP credit (if not done systemically). Send a closing letter for your refund inquiry case. Include an open or floating paragraph to advise the taxpayer they will need to claim the RRC on their 2020 or 2021 tax return. You may use the suggested verbiage below:
We are no longer authorized to reissue your Economic Impact Payment (EIP). To receive any amount of the payment you may be entitled to, you must file a _____ (fill in: 2020 or 2021) tax return and claim the Recovery Rebate Credit (RRC).
- c. Whether the taxpayer has or has not filed a 2020 or 2021 tax return, if the financial institution will not return the misdirected funds, follow IRM 21.4.5.11.1, IRS Error Direct Deposit, paragraph 4, so the balance created by the EIP reversal does not negatively impact these taxpayers.

(5) Do not issue a replacement check for the Advance Child Tax Credit (AdvCTC) Payments, instead follow procedures in IRM 21.6.3.4.1.24.2.2, Reconciling Advance Child Tax Credit (AdvCTC) Payments - REFUND INQUIRY EMPLOYEES ONLY

(6) If either the RTN account number, and/or taxpayer name of the deposited refund does not match the tax return information, and the taxpayer or their representative caused the error, or the taxpayer alleges preparer misconduct, take the following actions:

- a. Contact the financial institution by telephone and request their assistance in recovering the funds. You may provide the amount, the date, the routing transit number and the account number to the financial institution. If the bank recovers the direct deposit refund, request they return it to BFS through normal procedures. If the bank does not respond within 15 calendar days, contact the bank again. Allow an additional 15 calendar days for the bank to respond. If the bank does not respond, follow procedures in (d) below.

Note: The financial institution is not required to return the funds unless it was their error that caused the deposit into the wrong account.

- b. If the financial institution complies with our request to return the credit, monitor the account for the posting of the credit and issue a manual refund if it is not released systemically. Close case when module reaches zero balance.
- c. If the financial institution requests a letter from IRS before returning the funds, Refund Inquiry should send the letter in Exhibit 21.4.1-4, Bank Letter to Recover Direct Deposits, that has been approved by Chief Counsel for use by Accounts Management. It is not a "letter of indemnity", so if the bank will not accept it, continue with the guidance directly below. If the bank does not respond within 15 calendar days of the letter, contact the bank by phone to determine the status of the request.
- d. If the financial institution does not respond or is unable to return the credit, send a letter to the taxpayer explaining what happened to the requested direct deposit. Include the following paragraph:

SAMPLE LETTER
Our records show on <u>DATE</u> , your refund of \$ <u>AMOUNT</u> , was deposited directly into account number <u>ACCT. NOS.</u> at <u>BANK NAME</u> , as you requested on your Form <u>1040</u> . Because the account number shown on your return was incorrect, you must contact the financial institution to resolve the erroneous deposit. The Internal Revenue Service does not have the authority to demand the return of the refund from the designated financial institution because the refund deposit went into the account listed on your tax return.

Note: While the IRS will conduct a trace for the disposition of the refund, the restoration of the refund to the taxpayer may become a civil matter.

Note: If return preparer misconduct is claimed, refer to IRM 25.24.1.3, Identifying Potential RPM Issues For Telephone Assistors/Taxpayer Assistance Center (TAC) Assistors, for guidance.

(7) If the RTN and account number match the return, but the taxpayer did not request direct deposit, and there are other indications that the direct deposit was diverted as a means of theft by an IRS employee or someone impersonating an IRS employee, refer the case to the Treasury Inspector General for Tax Administration (TIGTA). TIGTA will confirm receipt with the taxpayer within 10 days.

Reminder: Before referring the case to TIGTA, request the block of work to ensure this is not a "slipped block" which would indicate an IRS error. See IRM 3.14.1.6.9.7, Slipped Blocks and Mixed Data Blocks, for additional information on slipped blocks.

- a. Gather necessary information and hold for TIGTA contact. This information must include (but is not limited to) research showing the RTN, statement from

- the taxpayer stating they did not request a direct deposit, Form 3911, Taxpayer Statement Regarding Refund, and FS Form 150.1, and documentation of any attempts made by the taxpayer to retrieve the funds from the bank.
- b. Secure the original return and compare it with the taxpayer's information. Provide a copy to TIGTA.
 - c. If the return was electronically filed, obtain a copy from the taxpayer and compare it with the transmitted return. Provide copies of both returns to TIGTA.
 - d. Complete an online report at Report a Crime or IRS Employee Misconduct - U.S. Treasury Inspector General for Tax Administration (TIGTA). Select **IRS Employee Crime or Misconduct** as the issue.
 - e. Provide the Hotline phone number to the taxpayer for subsequent inquiries: 800-366-4484.

Note: Current law allows BFS to replace refunds only in cases of forgery of a paper check or IRS error. The outcome of the TIGTA investigation will determine whether a replacement refund is possible or if the taxpayer will need to recover the refund through civil procedures. See items 3 and 5 in this subsection.

Note: If this is a Refund Advance Product (RAL/RAC) issue, refer taxpayer back to their Preparer.

(8) When TIGTA completes their investigation, they will reply back to the initiating Refund Inquiry Unit for proper disposition.

Note: A finding by TIGTA that the taxpayer did not receive the refund does not mean that IRS can automatically issue the taxpayer a refund. If the original refund was for a direct deposit, BFS cannot use the Check Forgery Insurance Fund (31 USC 3343) to reissue a refund to the taxpayer. If the original refund was for a paper check, and BFS makes a forgery determination, BFS can issue a new refund check using the Check Forgery Insurance Fund. This subsequent refund does not appear on the tax account.

Note: If TIGTA determines the IRS should settle with the taxpayer, follow manual refund procedures in IRM 21.4.4.5.1, Preparation of Form 5792, IDRS Generated Refund, and procedures in IRM 21.4.5.6 (5), Category D Erroneous Refund Procedures, to satisfy the balance due created by the manual refund.