

## IRM PROCEDURAL UPDATE

**DATE:** 04/14/2017

**NUMBER:** wi-21-0417-0686

**SUBJECT:** Identity Theft Form 14039

**AFFECTED IRM(s)/SUBSECTION(s):** 21.3.4

**CHANGE(s):**

### **IRM 21.3.4.29 Identity Theft Overview updated procedures to remove the required documentation with Form 14039**

1. Definition of Identity Theft - A fraud that is committed or attempted, using a person's identifying information without authority. Taxpayers may visit the TAC for assistance. We assist taxpayers with the following situations:
  - Tax-related identity theft issues (including refund schemes, employment fraud, effect on future filing, etc.)
  - Non-tax related identity theft issues where the taxpayers may be at risk (lost or stolen purse/wallet, questionable credit card activity, or questionable credit report activity, etc.) with future tax related issues.
  - We may refer taxpayers with other identity theft issues to the appropriate agency.
2. Identity Theft Resource Material and website:
  - Pub 4524, *Security Awareness and Identity Theft* (English only)
  - Pub 5027, *Identity Theft Information for Taxpayers*
  - Form 14039, *Identity Theft Affidavit*
  - Form 14039 (SP), *Identity Theft Affidavit* (Spanish version)
  - Privacy, Governmental Liaison, and Disclosure (PGLD)
  - W&I Accounts Management
  - Identity Protection: Prevention, Detection and Victim Assistance
  - Federal Trade Commission website
  - Social Security website (Identity Theft and Your Social Security Number)
  - IRM 25.23.1, *Identity Protection and Victim Assistance - Policy Guidance*
  - IRM 25.23.1.10, *Data Breach - Business Entities Whose Employees or Clients PII was Breached*
  - IRM 25.23.2, *Identity Protection and Victim Assistance - General Case Processing*
  - IRM 25.23.9, *BMF Identity Theft Processing*
3. The IRS will track identity theft related incidents using service-wide identity theft indicators on the IMF. See IRM 25.23.2.16, *Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators*, for more

information. Taxpayers who have experienced identity theft impacting tax administration will have their returns analyzed to prevent further burden on the victim. Further information on the Action Codes can be found in IRM 25.23.2.16, *Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators*, and IRM 25.23.9.6, *BMF Identity Theft Tracking Indicators*.

**NOTE:** Field Assistance is only authorized to input the TC 971 with AC 522 on IMF accounts, except when working Taxpayer Protection Program (TPP) contacts. Field Assistance is NOT authorized to input any ID theft tracking indicators on BMF accounts.

4. Definitions of the Tax Administration Source Codes for use with TC 971 and AC 522 identity theft account status are in Exhibit 25.23.2-10, *IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status (Initial Claim/Suspicion)*.
5. # [REDACTED] #
6. If the non-owner of an SSN or ITIN visits a TAC office and does not have a SSN or ITIN of their own, they may need to apply for an ITIN. See IRM 21.3.4.19, *Form W-7 Application For Individual Taxpayer Identification Number (ITIN)*.

**REMINDER:** Use ITLA if there is any question as to the applicant's eligibility for an ITIN.

#### **IRM 21.3.4.29.1 Tax Return Related Identity Theft Issues updated to include TC 971 AC 124**

1. If the TP is about to suffer a financial hardship as a result of a tax-related identity theft issue, prepare and submit e-911, *Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order)*. If TP asks to contact TAS directly, have the TP call 1-877-777-4778 toll-free, or go to <http://www.irs.gov/Advocate>.

**NOTE:** As part of the Identity Theft Program, the Accounts Management (AM) Identity Protection Specialized Unit (IPSU) will generally assist taxpayers whose situations meet TAS criteria 5 -7 AND involve identity theft. The applicable cases are considered IPSU criteria. See IRM 25.23.3.3.5, *Identity Theft Assistance Request (ITAR) - General Information*, for the IPSU criteria and exceptions to IPSU processing. This does not apply to cases that meet TAS criteria 1 - 4. See IRM 13.1.7, *Taxpayer Advocate Service (TAS) Case Criteria*. Refer these cases accordingly as outlined in IRM 21.1.3.18, *Taxpayer Advocate Service (TAS) Guidelines*.

2. If the taxpayer is experiencing issues with filing their return due to tax related identity theft or is in the TAC office to report tax related identity theft, follow the chart below:

If...	Then...
<p>Taxpayer visits the TAC and files a paper return because they are unable to e-file due to their own or their spouse's SSN being used on another return due to identity theft.</p> <p><b>NOTE:</b> If TP has received Letter 4883C, Letter 5071C, Letter 5447C, Letter 5747C or if there is an Unpostable 126 0 present on the account, see the fourth If/Then block under (3) below for appropriate procedures to follow.</p>	<ol style="list-style-type: none"> <li>1. Use taxpayer's identification to verify that the name, address, and SSN(s) on the return match information on IDRS for the prior 2 years. <p><b>EXAMPLE:</b> Taxpayer filing paper return for 2012. Use tax years 2011 and 2010 since the current information on the return will match the first return filed.</p> </li> <li>2. Complete all disclosure probes see IRM 21.1.3.2.3, <i>Required Taxpayer Authentication</i> and IRM 21.1.3.2.4, <i>Additional Taxpayer Authentication</i>.</li> <li>3. The taxpayer should file a Form 14039, <i>Identity Theft Affidavit</i> (or police report, if applicable), and attach it to the back of the tax return. Use taxpayer's driver's license or state issued identification to verify their identity (view the name, address, and match to the taxpayer at the TAC).</li> <li>4. Update AMS history with pertinent information that will assist the Identity Theft caseworker with resolving their case, such as: <ul style="list-style-type: none"> <li>▪ Verified name,</li> <li>▪ Current return, and/or 14039 addresses,</li> <li>▪ SSN,</li> <li>▪ Amount of refund expected,</li> <li>▪ Current telephone number and best time to call,</li> <li>▪ Statement indicating which type of identification used to validate taxpayer's name, address, and SSN, (for example, work ID, state ID, driver's license).</li> </ul> </li> </ol> <p><b>NOTE:</b> In rare cases, if you are able</p>

	<p>to verify that the taxpayer in the TAC is the right taxpayer you may be able to prevent an erroneous refund. See IRM 21.4.1.4.10, <i>Refund Intercept CC NOREF with Definer "P"</i>.</p> <p>5. If you are able to verify taxpayer's name and SSN as stated above, annotate the upper right corner of Form 14039 or the police report <b>IN RED</b> with the following:</p> <ul style="list-style-type: none"> <li>▪ Mark "S" if the taxpayer is verified to be the owner of the TIN. Leave blank if the taxpayer cannot be verified as the owner of the TIN.</li> <li>▪ If there is already a TC 150 on the account, a background control or dummy control base should be updated or added as follows: <ul style="list-style-type: none"> <li>a. It should be controlled to IDRS # 1320020768.</li> <li>b. The activity code should be FAIDTAM.</li> <li>c. The status should be "B".</li> <li>d. The Category Code should be MISC.</li> </ul> </li> <li>▪ If there is no TC 150 already on the account, a dummy control base is not needed.</li> </ul> <p><b>CAUTION:</b> If you are UNABLE to verify that the taxpayer in front of you is the correct taxpayer, <b>Do Not Annotate</b> Form 14039 or the police report.</p> <p>6. Attach the Form 14039 to the back of the tax return. Write "TC 971/522" <b>IN RED</b> on the top left margin of the return and "IDT" <b>IN RED</b> in the top middle margin. See above for what to include on Form 14039 or the police report, if applicable.</p> <p>7. Attach the return, with the required documents, to a completed Form</p>
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	<p>3210 and mail to Submission Processing.</p> <p>8. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</p> <p>9. Advise the taxpayer per Exhibit 21.3.4-14, <i>What to Advise the Taxpayer Or Employee</i>.</p> <p><b>NOTE:</b> If taxpayer is making a payment with the return, see IRM 21.3.4.7.5.2, <i>Transaction Code (TC)</i>, for guidance on the appropriate Transaction Codes to use when posting these payments.</p> <p>10. Advise taxpayer "How To Report Identity Theft". See Exhibit 21.3.4-13.</p> <p><b>NOTE:</b> If the taxpayer is not filing the paper return on the date of their TAC visit, advise taxpayer they will need to file a paper return and either return with it to the TAC with the substantiation documentation or mail it to the appropriate Submission Processing Center. If the taxpayer is mailing the return themselves, request they write "IDT" in the top middle margin of the return.</p>
<p>During a taxpayer contact (i.e., request for transcript) IDRS indicates evidence of a return being filed without the taxpayer's knowledge. Taxpayer agrees he or she may be victim of identity theft.</p> <p><b>NOTE:</b> If TP has</p>	<p><b>Taxpayer Has a Filing Requirement</b></p> <p>1. Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13.</p> <p>2. Input TC 971 AC 522 PNDCLM if appropriate per IRM 25.23.2.16, <i>Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status,</i></p>

<p>received Letter 4883C, Letter 5071C, Letter 5447C, Letter 5747C or if there is an Unpostable 126 0 present on the account, see the fourth If/Then block under (3) below for appropriate procedures to follow.</p>	<p>(<i>Initial Claim/Suspicion</i>), for instructions on how to input the TC 971 AC 522 into IDRS.</p> <ol style="list-style-type: none"> <li>Advise the taxpayer that they will need to file a paper return with the Form 14039 (or police report) and either return to the TAC to submit it or mail it to the appropriate SPC. If the taxpayer is mailing the return themselves, request they write "IDT" in the top middle margin of the return.</li> </ol> <p><b>NOTE:</b> If the taxpayer has a paper return or is able to file a paper return on the date of their TAC visit, see the first block above for procedures on securing and making annotations on the return, Form 14039 or the police report, if applicable.</p> <p><b>Taxpayer Has No Filing Requirement</b></p> <ol style="list-style-type: none"> <li>Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13.</li> <li>Advise the taxpayer they can either send the Form 14039 (or police report) to the appropriate campus or they can return to the TAC with the documents. If the taxpayer returns or you can secure Form 14039 (or police report) while the taxpayer is in the TAC, forward the documents to the appropriate campus. If the taxpayer chooses to send in the Form 14039 (or police report), follow the procedures in IRM 25.23.3.2.2, <i>Tax-Related Identity Theft</i> to determine where the taxpayer should send the information.</li> <li>Input TC 971 AC 522 PNDCLM if appropriate per IRM 25.23.2.16, <i>Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> </ol>
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	<ol style="list-style-type: none"> <li>4. Advise the taxpayer per Exhibit 21.3.4-14, <i>What to Advise The Taxpayer or Employee</i>, if you are securing the Form 14039 (or police report) that day.</li> <li>5. Record a history on AMS of the actions taken.</li> </ol>
<p>When taxpayer returns to the TAC with the above information to substantiate that identity theft has occurred.</p>	<p>See the first block above for procedures on securing and making annotations on the return, Form 14039 or the police report, if applicable.</p>
<p>Taxpayer previously mailed return, due to e-filed return being rejected and now has identity theft issues and substantiating documentation.</p>	<p><b>If an Open Control Exists</b></p> <ol style="list-style-type: none"> <li>1. Prepare Form e-4442 on AMS to the open control. Follow normal mandatory referral procedures. Attach the substantiating documentation to the Form e-4442.</li> <li>2. Input TC 971 AC 522 PNDCLM if appropriate per IRM 25.23.2.16, <i>Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>3. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer or Employee</i>.</li> </ol> <p><b>If No Open Control Exists</b></p> <ol style="list-style-type: none"> <li>1. Treat as a mixed entity and follow the procedures in IRM 25.23.3.2.2.1, <i>Telephone Inquiries Regarding Tax-Related IDTVA Cases</i>, to route it appropriately.</li> <li>2. Input TC 971 AC 522 PNDCLM if appropriate per IRM 25.23.2.16, <i>Initial Allegation or Suspicion of Tax-Related identity Theft - IMF Identity Theft Indicators</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status,</i></li> </ol>

	<p>(Initial Claim/Suspicion), for instructions on how to input the TC 971 AC 522 into IDRS.</p> <ol style="list-style-type: none"> <li>3. Advise the taxpayer per Exhibit 21.3.4-14, <i>What to Advise the Taxpayer or Employee</i>.</li> <li>4. Record a history on AMS of the actions taken.</li> </ol>
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3. If the taxpayer is coming into the TAC for other types of tax related identity theft, follow the procedures in the table below:

If...	Then...
<p>Taxpayer returns a debit card that does not belong to them.</p> <p><b>NOTE:</b> If the card is inside a sliced envelope, staple it back together; if card is not inside its original envelope indicate "Loose" on the Form 3210.</p> <p><b>NOTE:</b> Refer to IRM 3.10.72.5.10(2), <i>Processing Cash and Handling of Currency and Items of Value</i> for more specific information.</p>	<p>See IRM 21.4.3.4.4 (2)(e), <i>Returned Refund Check Procedures</i>, for procedures on forwarding Debit Cards.</p>
<p>Taxpayer returns 3rd party refund check that does not belong to them.</p>	<p>Refer to IRM 25.25.8.11(4), <i>Centralized Check Process (CCP)</i>, for guidance on forwarding these checks for processing.</p>
<p>Taxpayer has received Letter 4883C, Letter 5071C, Letter 5447C, or Letter 5747C and has general questions.</p>	<ol style="list-style-type: none"> <li>1. Explain the letter to the taxpayer per IRM 25.25.6, <i>Taxpayer Protection Program</i>.</li> <li>2. Offer to assist them in verifying their identity.</li> </ol>
<p>If the taxpayer received a TPP Letter (Letter 4883C, Letter 5071C, Letter 5447C or Letter 5747C) or meets any of the following criteria:</p>	<p><b>REMINDER:</b> After authenticating the taxpayer's identity, go to Step 2 in this section.</p> <ol style="list-style-type: none"> <li>1. Authenticate the taxpayer's identity per IRM 25.23.2.21.2.2, <i>Returns</i></li> </ol>

<ul style="list-style-type: none"> <li>○ The account has UPC 126 RC 0 (with or without the letter)</li> <li>○ TC 971 AC 124 (or 121) on TXMOD (with or without the letter)</li> <li>○ TC 971 AC 124 (or 121) and no return posted (Unpostable has been identified as deleted (URC D))</li> <li>○ TC 971 AC 134 with a TPP indicator TC 971 AC 124 (or 121) and return is currently U126 RC 0</li> <li>○ Return has posted and there is an unresolved TC 971 AC 129 on the module and the refund is held or not held.</li> </ul> <p><b>REMINDER:</b> The taxpayer does not need to have their letter with them to receive assistance.</p>	<p><i>Selected by ID Theft Filters - Taxpayers Visiting the TAC.</i></p> <p>2. Based on the results of the authentication, follow the procedures in IRM 25.25.6.5, <i>Responding to the Taxpayer/Case Resolution for Taxpayer Protection Program (TPP), Taxpayer Protection Program (TPP) Telephone Assistors and Taxpayer Assistance Center (TAC) Assistors</i>, to resolve the taxpayer's inquiry.</p>
<p>If a business entity wishes to report a data breach</p>	<p>Refer to IRM 25.23.1.10, <i>Data Breach - Business Entities Whose Employees or Clients PII was Breached.</i></p>

**IRM 21.3.4.29.2 Income Document Related to Identity Theft Issues updated procedures to remove the required documentation with Form 14039**

1. Take the following actions to resolve income document identity theft issues:

If...	Then...
<p>Taxpayer received a tax-related CP-2000 notice AND</p> <ul style="list-style-type: none"> <li>○ Has never worked for the employer(s) listed, OR believes he/she has never worked for the employer(s) OR</li> <li>○ Taxpayer claims to have no knowledge of the issue,</li> </ul> <p>AND Taxpayer has no connection with the payer of the unreported income; AND Taxpayer agrees that he or she may be the victim of identity theft.</p>	<ol style="list-style-type: none"> <li>1. Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13.</li> <li>2. Assist taxpayer in responding to the notice.</li> <li>3. Review taxpayer's account to see if any other years may have been affected.</li> <li>4. Identity theft claims and/or additional information can be accepted from the taxpayer, third party or someone who has power of attorney for the taxpayer (i.e., Form 2848, <i>Power of Attorney and Declaration of Representative</i>.</li> <li>5. Record a history on AMS of the actions taken.</li> <li>6. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i> for instructions on how to input the TC 971 AC 522 into IDRS.</li> </ol> <p><b>NOTE:</b> Never refer the taxpayer back to the employer/payer if there is any indication of identity theft. See IRM 4.19.3.20.1.25, <i>Identity Theft (IDT) Claims - Overview</i>, for additional information on CP-2000 issues.</p> <p><b>NOTE:</b> ITAS employees do not adjust underreporter cases; this reference is for information only.</p>
<p>Taxpayer requests his/her own income documents and one or more does not belong to the taxpayer; And Taxpayer has no connection with the payer of the unreported income; And Taxpayer agrees he or she may be the victim of identity</p>	<ol style="list-style-type: none"> <li>1. Follow the procedures in IRM 21.2.3.5.8.4.3, <i>Wage and Income Transcript for Identity Theft</i>, to issue the transcript.</li> </ol> <p><b>Taxpayer Has Not Filed A Return:</b></p> <ul style="list-style-type: none"> <li>○ <b>Taxpayer has a filing</b></li> </ul>

<p>theft.</p>	<p><b>requirement:</b></p> <ol style="list-style-type: none"> <li>1. Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13.</li> <li>2. Advise the taxpayer that they will need to file a paper return (with the Form 14039 (or police report) attached and either return to the TAC to submit it or mail it to the appropriate SPC. If the taxpayer is mailing the return themselves, request they write "IDT" in the top middle margin of the return. For the appropriate Submission Processing address and stop number, see IRM 21.1.7-2, <i>Submission Processing Stop Numbers for Routing Non-Remit Documents</i>.</li> <li>3. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> </ol> <p>○ <b>Taxpayer has no filing requirement:</b></p> <ol style="list-style-type: none"> <li>1. Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13.</li> <li>2. Advise the taxpayer they can send the Form 14039 (or police report) to the appropriate campus or they can return to the TAC with the information. If the taxpayer returns or you can secure the documents while the taxpayer is in the TAC, forward the documents to the appropriate campus. If the taxpayer chooses to send in</li> </ol>
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	<p>the Form 14039 (or police report), follow the procedures in IRM 25.23.3.2.2, <i>Tax-Related Identity Theft</i>, to determine where the taxpayer should send the information.</p> <ol style="list-style-type: none"> <li>3. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>4. Advise the taxpayer per Exhibit 21.3.4-14, <i>What to Advise The Taxpayer or Employee</i>, if you are securing the Form 14039 (or police report) that day.</li> <li>5. Record a history on AMS of the actions taken.</li> </ol> <p><b>If taxpayer brings back the paper return:</b></p> <ol style="list-style-type: none"> <li>1. Attach the Form 14039 (or police report) to the return.</li> <li>2. Write TC 971/AC 522 <b>IN RED</b> on the top left margin of the return.</li> <li>3. Attach return with the Form 14039 (or police report) to a completed Form 3210 and mail to the appropriate SPC. For the appropriate Submission Processing address and stop number, see IRM 21.1.7-2, <i>Submission Processing Stop Numbers for Routing Non-Remit Documents</i>.</li> <li>4. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for</li> </ol>
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	<p>instructions on how to input the TC 971 AC 522 into IDRS</p> <p>5. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer Or Employee</i>.</p> <p><b>If taxpayer has already filed his/her return and wants account to be marked as a victim of identity theft and is submitting the Form 14039 (or police report):</b></p> <ul style="list-style-type: none"> <li>○ <b>If there is an Open Control:</b> <ol style="list-style-type: none"> <li>1. Secure the Form 14039 (or police report) and follow mandatory referral procedures.</li> <li>2. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>3. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer Or Employee</i>.</li> <li>4. Record a history on AMS of the actions taken.</li> </ol> </li> <li>○ <b>If there is no Open Control:</b> <ol style="list-style-type: none"> <li>1. Secure the Form 14039 (or police report) and check the account for TC 922 and/or an AUR assessment. If TC 922 or AUR assessment is present, use the DLN of the TC 922 to identify the location of the AUR unit and route the documentation to the</li> </ol> </li> </ul>
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	<p>Identity Theft Victims Assistance (IDTVA) at that location. See SERP <b>WHO/WHERE</b> page for AUR Addresses (Open Cases), to locate the appropriate address.</p> <ol style="list-style-type: none"> <li>2. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>3. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer Or Employee</i>.</li> <li>4. Record a history on AMS of the actions taken.</li> </ol> <p><b>If there is no TC 922 or AUR assessment or tax related impact related to the Identity Theft:</b></p> <ol style="list-style-type: none"> <li>1. Follow the procedures in IRM 21.3.4.29.4, <i>Non-Tax Related Identity Theft</i>, under the fist If/Then box.</li> </ol>
<p>Taxpayer A (borrower) verifies his/her identity and admits working under a "borrowed" SSN belonging to Taxpayer B (owner of SSN), proves use of the SSN via pay stubs or any other substantiating document (rent receipt, current address is the address on the IRPTR print out) and pay stubs show use of that SSN. He requests IRPTR income documents</p>	<ol style="list-style-type: none"> <li>1. Follow the procedures in IRM 21.2.3.5.8.4.3, <i>Wage and Income Transcript for Identity Theft</i>, to issue the transcript.</li> <li>2. If Taxpayer A (borrower) has a filing requirement, advise Taxpayer A (borrower) to complete a tax return and submit it with a W-7 application (if he does not qualify for an SSN and does not already have an ITIN). If Taxpayer A</li> </ol>

<p>because he now has (or wants to obtain) an ITIN and "wants to get right with the system."</p>	<p>(borrower) has an ITIN, document their AMS history with the actions taken. Document Taxpayer B's (owner of SSN) AMS history of the actions taken also. A tracking indicator, TC 971, AC 522 will not be input in this instance since the borrower is not the taxpayer.</p>
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**IRM 21.3.4.29.3 Other Tax Related Identity Theft Issues updated procedures to remove the required documentation with Form 14039**

1. Take the following actions to resolve other tax related identity theft issues:

<b>If...</b>	<b>Then...</b>
<p>Taxpayer is making a payment and there is ID theft involvement (i.e., Refund from fraudulent return paid off existing installment agreement, taxpayer makes payment for their current year return after they have filed but before the ID theft issue is resolved)</p>	<p>See IRM 21.3.4.7.5.2, <i>Transaction Code (TC)</i>, for guidance on the appropriate TCs to use when posting these payments.</p>
<p>Taxpayer requests a copy of the ID theft return</p>	<p>There are specific procedures for requesting these transcripts and they cannot be printed for the taxpayer in the TAC. See IRM 25.23.3.3.6.1, <i>Intake - Accepting Written Requests for copies of Fraudulent Return(s)</i>, for procedures when taxpayers request copies of the ID theft return.</p>
<p>Taxpayer requests a transcript of their return but the first return posted is not the taxpayer's because they are the victim of identity theft (whether a TC 971 AC 522 was previously input or not) or is requesting verification of</p>	<p>Follow the procedures in IRM 21.2.3.5.8, <i>Transcripts and Identity Theft</i>, for guidance on issuing transcripts with identity theft involvement. If the identity theft issue has not been reported, see IRM 21.3.4.29.1, <i>Tax Return Related Identity Theft Issues</i>.  <b>REMINDER:</b> See IRM 21.3.4.29.1(1),</p>

non-filing.	<i>Tax Return Related Identity Theft Issues</i> if the taxpayer meets either hardship or ITAR criteria.
Taxpayer receives <b>EIN but did not request it</b> and believes he/she is the victim of identity theft.	<ol style="list-style-type: none"> <li>1. Ensure that the person did not apply and does not want the number associated with their name. Most of the situations when a taxpayer contacts us stating they did not request an EIN are when a third party requested an EIN on the taxpayer's behalf for a legitimate business purpose. Therefore, it is important to determine whether or not this is the situation which led to the taxpayer contacting us.</li> <li>2. If a taxpayer indicates that he or she did not apply for a number they received: Determine that the number was not applied for by a spouse or other family member, a neighborhood club, or an accountant or third party on their behalf (such as a fiscal agent, bank or executor of a trust). Thorough research and/or direct contact with the taxpayer can usually resolve the situation. Determine if both addresses (the one on the notice and the address of record) are the same.</li> <li>3. If the addresses are the same, probe further on the above issues.</li> <li>4. If the addresses are different, determine if taxpayer is aware of the other address. The CP 575 Employer Identification Number (EIN) assignment notice is issued to the address on lines 4/5 on Form SS-4. Therefore, if a third party designee submitted Form SS-4 with the taxpayer's address, the taxpayer would receive the CP 575 and may not be aware that the third party submitted the Form SS-4 on the taxpayer's behalf. The third party does not receive the CP 575.</li> </ol>

	<p>5. If taxpayer still indicates they did not apply, complete Form e-4442 to Submission Processing BMF Entity Function per IRM 21.7.13.7.2.3, <i>Cases Forwarded to Submission Processing BMF Entity</i>, requesting the action to "invalidate" the number. Attach statement (signed under penalty of perjury) from the taxpayer that he/she did not request EIN. Place a history item or note on the account. If using IDRS, place it on ENMOD. The history item or note should indicate "Taxpayer claims EIN not requested". <b>TC 971/AC 522 will not be input. Field Assistance employees are NOT authorized to apply BMF ID theft indicators.</b></p>
<p>Taxpayer has knowledge of <b>another person</b> filing a federal tax return with a <b>stolen SSN</b>.</p> <p><b>REMINDER:</b> If the taxpayer is reporting that someone is filing a return using <b>their</b> SSN, do not have them complete Form 3949-A . See IRM 21.3.4.29.1, <i>Tax Return Related Identity Theft Issues</i>, for guidance on assisting them in reporting they are a victim of identity theft.</p>	<ol style="list-style-type: none"> <li>1. Advise the taxpayer you will take the information and submit a report for an investigation.</li> <li>2. Secure Form 3949-A, <i>Information Referral</i>, from the Forms/Pubs Repository. This is an informant referral in regards to another's SSN.</li> <li>3. Request the taxpayer complete the form, assist if needed following the procedures in IRM 21.1.3.19, <i>Informant Contacts</i>, IRM 25.2.1.3, <i>Handling the Information</i>, and IRM 25.2.1.5, <i>Documenting the Information</i> (with instructions on where to route form).</li> </ol> <p><b>NOTE:</b> Ensure Section 6 of the form is completed by the informant (taxpayer). Section 6 should not be the information of the IRS employee accepting the form.</p> <ol style="list-style-type: none"> <li>4. Mail completed form (along with completed Form 3210) to: Internal Revenue Service, ICT M/S 31114,</li> </ol>

	5045 E. Butler, Fresno, CA 93888
Taxpayer <b>receives ITIN</b> but did not request it.	<p>Most of the situations when a taxpayer contacts us stating they did not request an ITIN are when a third party requested an ITIN on the taxpayer's behalf for a legitimate income tax return for income reporting purposes. Therefore, determine that the number was not applied for by a spouse or family member, or an accountant or a certifying acceptance agent on their behalf. If no action has been taken on the account, complete the following actions:</p> <ol style="list-style-type: none"> <li>1. Prepare Form 4442 on AMS to notify Austin ITIN office that ITIN was not requested and request a revoking of the ITIN.</li> <li>2. Place a history item in AMS such as "Taxpayer claims ITIN not requested".</li> <li>3. Place a history item in ENMOD that "ITIN NT RQ". This indicates ITIN not requested.</li> </ol> <p><b>NOTE:</b> If action has been taken on the account, prepare an email providing the specifics of the case to your area ITIN program analyst. The area ITIN program analyst will elevate to headquarters for the ITIN program office elevation.</p>
Taxpayer states that the <b>Social Security Administration has reduced or stopped his/her social security benefits</b> based on a tax return filed with the IRS. The taxpayer's income is below the filing requirement and the taxpayer indicates he/she did not file the return and	<p>Complete the following actions:</p> <ol style="list-style-type: none"> <li>1. Prepare and submit e-911, <i>Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order)</i>.</li> <li>2. If the taxpayer asks to contact TAS directly, have the taxpayer call 1-877-777-4778 toll-free, or go to <a href="http://www.irs.gov/Advocate">http://www.irs.gov/Advocate</a></li> <li>3. Input TC 971 AC 522 PNDCLM if</li> </ol>

<p>this is causing the TP financial harm.</p> <p><b>NOTE:</b> If the taxpayer is experiencing a hardship due to <b>any government assistance</b> they are receiving being reduced because of IDT, see the note under IRM 21.3.4.29.1(1), <i>Tax Return Related Identity Theft Issues</i>, for how to refer the case to TAS.</p>	<p>appropriate per IRM 25.23.2.16, <i>Initial Allegation or Suspicion of Tax-Related identity Theft - IMF Identity Theft Indicators</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</p>
<p>Taxpayer has a <b>balance due ONLY</b> because of an assessment due to identity theft. <b>A levy has been issued</b> and the taxpayer is requesting a release.</p>	<ol style="list-style-type: none"> <li>1. Verify with the taxpayer that they are the true owner of the SSN (review social security card and picture identification card).</li> <li>2. Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13. This exhibit includes instructions for the taxpayer to contact the Social Security Administration to report earnings not belonging to the taxpayer.</li> <li>3. When the taxpayer provides the Form 14039 (or police report) per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>, follow the procedures in IRM 5.19.21, <i>Campus Procedures for Handling Identity Theft</i>, to appropriately route the case and release the levy.</li> <li>4. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>5. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer Or Employee</i>.</li> </ol>
<p>Taxpayer has a balance</p>	<ol style="list-style-type: none"> <li>1. Secure the Form 14039 (or police</li> </ol>

<p>due ONLY because of a TC 922 or an AUR assessment due to an underreporter situation with identity theft issues and no levy has been issued.</p>	<p>report) and route the documents to the appropriate AUR unit. Use the DLN of the TC 922 to identify the location of the AUR unit and route the Form 14039 (or police report) to the Identity Theft Victims Assistance (IDTVA) at that location. See SERP <b>WHO/WHERE</b> page AUR Addresses (Open Cases), to locate the appropriate address.</p> <ol style="list-style-type: none"> <li>2. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>3. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer Or Employee</i>.</li> <li>4. Record a history on AMS of the actions taken.</li> </ol>
<p>Taxpayer has a balance due ONLY because of a TC 922 or an AUR assessment due to an underreporter situation with identity theft issues, a levy has been issued and the taxpayer is requesting a release.</p>	<ol style="list-style-type: none"> <li>1. Verify with the taxpayer that they are the true owner of the SSN (Review social security card and picture identification card).</li> <li>2. Advise the taxpayer how to report identity theft. See Exhibit 21.3.4-13. This exhibit includes instructions for the taxpayer to contact the Social Security Administration to report earnings not belonging to the taxpayer.</li> <li>3. When the taxpayer provides Form 14039 (or police report), release the levy. See IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. Follow the procedures in IRM 5.19.21, <i>Campus Procedures for Handling Identity Theft</i>, to appropriately route the case and release the levy.</li> <li>4. Route the Form 14039 (or police report) to the AUR Unit. Use the DLN of the TC 922 to identify the</li> </ol>

	<p>location of the AUR unit and route the documentation to the Identity Theft Victims Assistance (IDTVA) at that location. See SERP <b>WHO/WHERE</b> page AUR Addresses (Open Cases), to locate the appropriate address.</p> <p>5. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i>, for instructions on how to input the TC 971 AC 522 into IDRS.</p> <p>6. Advise the taxpayer per Exhibit 21.3.4-14, <i>What To Advise The Taxpayer Or Employee</i>.</p>
<p>Taxpayer reported tax related identity theft previously and now has a balance due and/or levy on an IRSN.</p>	<p>Verify that a TC 971 AC 501/506 is on the taxpayer's SSN, and the affected tax account shows that the IDT return was processed to the IRSN. Release the levy, update the address on the IRSN to a SC address and add AMS note under the IRSN.</p>

**IRM 21.3.4.29.4 Non-Tax Related Identity Theft Issues updated procedures to remove the required documentation with Form 14039**

1. Take the following actions to resolve non tax related identity theft issues:

<b>If...</b>	<b>Then...</b>
<p>Taxpayer indicates his/her personal identity information has been stolen. There is no indication that it has been used inappropriately for tax purposes.</p>	<ol style="list-style-type: none"> <li>1. Refer to IRM 25.23.3.2.1, <i>Non-Tax Related Identity Theft – Self Identified</i>.</li> <li>2. Record a history item on AMS recording any actions taken.</li> </ol> <p><b>NOTE:</b> If the taxpayer submits a Form 14039, EEFax the Form 14039 to IPSU.</p> <p><b>REMINDER:</b> Reminder: IPSU will input the TC 971 AC 522 and TC 971 AC 504 on the account.</p>

Taxpayer states that an email has been received from the IRS requesting personal identifying information (i.e., SSN, financial information, etc).	<p>Advise taxpayer that the IRS does not request sensitive information by email and the taxpayer should not respond to the email received. For additional information, see IRM 21.1.3.23, <i>Scams (Phishing) and Fraudulent Schemes</i>. Also:</p> <ul style="list-style-type: none"> <li>○ If the taxpayer still has the email on the computer, it should be forwarded to Phishing@irs.gov (Taxpayer should go to www.IRS.gov key word "phishing" for instructions on forwarding email).</li> </ul> <p><b>NOTE:</b> Taxpayers may also receive phone calls trying to get their social security numbers, TINs, or other sensitive information as well. However, before applying these procedures to suspicious phone calls, check AMS and IDRS to ensure there are no open issues on the taxpayer's account; as IRS does make outbound calls on some issues. See IRM 21.1.3.24, <i>Calls and Faxes from Integrity and Verification Operation (IVO) to Employers</i>.</p>
Taxpayer requests new or replacement SSN or posted earnings determinations.	Advise taxpayer to contact Social Security Administration at 1-800-772-1213 or www.SSA.gov
Taxpayer has questions concerning the data security leak with the U.S. Department of Veterans Affairs (VA).	Refer taxpayer to 1-800-FED-INFO (1-800-333-4636) or www.firstgov.gov

**IRM 21.3.4.29.5 IRS Employee Tax Related Identity Theft Issues updated procedures to remove the required documentation with Form 14039**

1. All IRS employees must identify themselves to the TAC ITAS prior to requesting assistance. The ITAS **must** have managerial approval before proceeding with any type of Personally Identifiable Information (PII) research.

**REMINDER:** Follow the procedures in IRM 21.1.3.8, *Inquiries from IRS Employees*.

<b>If...</b>	<b>Then...</b>
Employee is unable to e-file because either the employee's or spouse's SSN has previously been used on another return due to identity theft.	<ol style="list-style-type: none"> <li>1. Verify that name and SSN(s) on return are correct.</li> <li>2. Advise employee to report the incident to employee's manager and keep their manager up to date on the situation.</li> <li>3. Advise employee to contact TIGTA at 1-800-366-4484 to report the incident.</li> <li>4. Input a TC 971 AC 522 per IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i>. See IRM 25.23.2-10, <i>IMF Only TC 971 AC 522 Tax-Related Identity Theft, Case Status, (Initial Claim/Suspicion)</i> for instructions on how to input the TC 971 AC 522 into IDRS.</li> <li>5. Advise the employee how to report identity theft. See Exhibit 21.3.4-13. Advise the employee to provide his/her manager with copies of Form 14039 (or police report).</li> <li>6. Advise employee they will need to file a paper return and either return to the TAC with the required substantiation documentation or mail it to the appropriate SPC.</li> </ol>
Employee brings paper return for filing because either their own or spouse's SSN e-file rejected due to identity theft.	Advise the employee per the first If/Then block above. Follow the procedures outlined in IRM 21.3.4.29.1 (2) in the first If/Then block to secure the return and forward it for processing.
Employee indicates their or their spouse's personal identification information (PII) has been stolen. There is no indication to date that it has been used inappropriately for tax purposes.	<ol style="list-style-type: none"> <li>1. Advise employee to report the incident to employee's manager and keep their manager up to date on the situation.</li> <li>2. Advise employee to contact TIGTA at 1-800-366-4484 to report the incident.</li> <li>3. Advise the employee how to report identity theft. See Exhibit 21.3.4-13.</li> <li>4. Advise the employee to provide a</li> </ol>

	<p>copy of the Form 14039 to TIGTA.</p> <p>5. EEFax the Form 14039 to the Identity Protection Specialized Unit (IPSU) at 855-807-5720. Use the <i>Identity Theft Affidavit</i>, Form 14039 to EEFax to IPSU. Attach the documentation with Form 14039 when faxing. Enter on the EEFax sheet the number of pages attached and that this is an IRS employee.</p> <p>6. IPSU will input the TC 971 AC 522 and TC 971 AC 504 on the account.</p>
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**Exhibit 21.3.4-13 How To Report Identity Theft updated procedures to remove the required documentation with Form 14039**

<b>How to Report Identity Theft:</b>
Obtain an IRS Form 14039, <i>Identity Theft Affidavit</i> , or Police Report to report the incident to IRS. See IRM 25.23.2.17, <i>Identity Theft Claims - Overview</i> .
Notify the Federal Trade Commission Identity Theft Hotline at <b>1-877-438-4338</b> .
<p>Notify the three major credit bureaus:</p> <ol style="list-style-type: none"> <li>1. Experian: <a href="http://www.experian.com">www.experian.com</a> 1-888-EXPERIAN (397-3742)</li> <li>2. Equifax: <a href="http://www.equifax.com">www.equifax.com</a> 1-800-525-6285</li> <li>3. TransUnion: <a href="http://www.transunion.com">www.transunion.com</a> 1-800-680-7289</li> </ol>
<p>Contact the Social Security Administration at <a href="http://www.SSA.gov">www.SSA.gov</a> or 1-800-772-1213 for <b>Income Document Related Identity Theft Issues only:</b></p> <ul style="list-style-type: none"> <li>• If the taxpayer suspects that someone else is using their SSN for work purposes (i.e., IRP documents, TDS Income Transcript). SSA will review their earnings with the taxpayer to ensure their records are correct.</li> <li>• The taxpayer may review earnings posted to their record on their Social Security Statement (Form SSA-7005).</li> <li>• Taxpayer should retain any corrected documents made by SSA in the event they are contacted by IRS (i.e., AUR Function).</li> </ul>