

IRM PROCEDURAL UPDATE

DATE: 05/04/2017

NUMBER: wi-21-0517-0802

SUBJECT: E-file 1040 Series and Online Filing; EFT Trace Numbers Research; Removed Payroll Deduction Plans from OPA; Secure Access Applications; FAFSA AGI Guidance

AFFECTED IRM(s)/SUBSECTION(s): 21.2.1

CHANGE(s):

IRM 21.2.1.39 - updated (6) to change year from 2011 to 2016 and added a note in (9) to clarify how to inform taxpayers to file if they meet the Special Circumstances requirements.

- 6. Who is eligible to electronically sign using the Self-Select PIN signature method?**
 - Taxpayers filing form 1040, 1040A, 1040-EZ, 1040-SS(PR), 1040-NR.
 - Taxpayers who did not file for Tax Year 2016, but have filed previously.
 - Taxpayers who are age 16 or older on or before December 31, 2016, who have never filed a tax return.
 - Primary taxpayers under age 16 who have filed previously.
 - Secondary taxpayers under age 16 who have filed in the immediate prior year.
 - Military personnel residing overseas with APO/FPO addresses.
 - U.S. citizens and resident aliens residing in the U.S. Possession of Puerto Rico or with foreign country addresses.
 - Taxpayers who are filing on behalf of deceased taxpayers.
- 7. Taxpayers required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return:**
 - Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes (or equivalent contemporaneous written acknowledgement)
 - Form 2848, Power of Attorney and Declaration of Representative (or POA that states that the agent is granted authority to sign the return.)
 - Form 3115, Application for Change in Accounting Method
 - Form 3468, attach a copy of the first page of NPS Form 10-168A, Historic Preservation Certification Application (Part 2 - Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested)

- Form 4136, attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller
- Form 5713, International Boycott Report
- Form 8283, NonCash Charitable Contributions, Section A (if any statement or qualified appraisal is required) or Section B., Donated Property, and any related attachments (including any qualified appraisal or partnership Form 8283)
- Form 8332, Release / Revocation of Release of Claim to Exemption for Child by Custodial Parent (or certain pages from a divorce decree or separation agreement, that went into effect after 1984 and before 2009) (see instructions)
- Form 8858, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities
- Form 8864, Biodiesel and Renewable Diesel Fuels Credit, attach the certificate for Biodiesel and, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller
- Form 8949, Sales and Other Dispositions of Capital Assets, (or a statement with the same information), if you elect not to report your transactions electronically on Form 8949

8. Who is not eligible to electronically sign using the Self-Select PIN method?

- Taxpayers under age 16 who have never filed.
- Secondary Taxpayers (spouse) under age 16 who did not file in the immediate prior year.

NOTE: The Form 8453, U.S. Individual Tax Transmittal for an IRS e-file Return, will now be used to submit all required attachments to both online and practitioner prepared individual income tax returns.

9. If the taxpayer does not have their tax return information available, the taxpayer may use online self-help applications on IRS.gov (e.g., Get Transcripts Online, etc.) or may call the Interactive Voice Response (IVR) toll-free number, 1-800-908-9946, to request the transcript. Taxpayers who use Self-Select PIN are not required to complete or mail Form 8453-OL to the IRS.

NOTE: Do **not** provide the AGI over the phone.

- Command Code (CC) RTVUE and/or CC TRDBV or the Return Review Display (RRD) system on the Employee User Portal (EUP) must be used to provide tax information, as original filing information is available regardless of subsequent adjustments or math errors.

CAUTION: If there are multiple returns for a tax year, CC RTVUE will show multiple tax returns for that year. The returns are in DLN order

and the TC 150 may not be the first return shown. Input 00X where X is the number of returns, e.g., If the TC 150 has a higher DLN than the TC 976, the TC 976 will be on CC RTVUE first as 001 and the 150 would be 002.

CAUTION: CC TXMOD and CC IMFOL will show the AGI as adjusted or corrected, NOT as filed

- **Special Circumstances:** If the taxpayer filed their prior year's tax return after Cycle 50, using the ECC-MTB posting cycle, they should enter zero (0.00) for their prior year AGI. If the taxpayer's last year AGI was negative, they must enter the amount as a **negative** number. See IRM 3.42.5.9.1.1(3), Self-Select PIN Method. If the taxpayer has not filed their prior year return, they should enter zero (0.00) for their prior year AGI.

NOTE: If it has been determined that the taxpayer meets the Special Circumstances listed above without disclosing the prior year AGI inform the taxpayer how best to proceed.

IRM 21.2.1.40 - updated (7) Exception to include active identity theft indicators.

7. If the taxpayer calls to request the prior year AGI or SSP in order to e-file, do **not** provide the taxpayer with the AGI or SSP. Direct the taxpayer to the self-help application Get Transcript Online on IRS.gov, see IRM 21.2.1.52, Get Transcript Online, for additional information. You may also direct the taxpayer to the toll-free IVR number, 1-800-908-9946, where the taxpayer may request account or tax returns for previous years, see IRM 21.2.3.3.3, Interactive Voice Response, for additional information. If the taxpayer is unable to acquire their transcript through these processes, you may send a transcript to the taxpayer's address of record. Alternatively, you may instruct the taxpayer to file the tax return by paper or seek electronic return originator (ERO) support.

EXCEPTION: If the caller has an active Identity Theft indicator (TC 971 AC 501, TC 971 AC 504, and some TC 971 AC 506) on the tax year requested they will not be able to order a transcript. Additionally, if the caller has a TC 971 AC 505 on their account, this will block access to all online accounts, see IRM 25.23.2.22, Get Transcript Incident, for additional information. Instead, direct the taxpayer to file the tax return by paper.

NOTE: If the caller requests the prior year AGI or SSP, do **not** fax the transcript. The transcript may only be sent to the address of record.

NOTE: The "address of record" is the taxpayer's address at the time of the call. If the caller updates the address of record during the call, do **not** send the transcript to the new address.

IRM 21.2.1.47 - added (10) to clarify multiple electronic payments deducted from taxpayer accounts.

10. When a taxpayer inquires about the IRS deducting their electronic federal tax payment twice, CSRs should check IDRS for the EFT Trace Number for each payment. Then refer to the table in IRM 3.17.277.5.3(4), EFT Number, to determine the payment method(s) used by the taxpayer.

NOTE: To determine the payment method used for each payment, research positions 3 through 5 of the IDRS EFT Trace Number. Positions 3 through 5 on IDRS are equal to positions 1 through 3 in the IRM 3.17.277 table referenced above.

EXAMPLE: If the EFT Trace Number begins with 29200, positions 3 through 5 are equal to 200 (referred to as positions 1 through 3 in the IRM); this payment was made through e-File. If the EFT Trace Number begins with 29222 positions 3 through 5 are equal to 222 (referred to as positions 1 through 3 in the IRM); this payment was made through IRS Direct Pay.

IRM 21.2.1.48.1 - updated (3) Note to include MFT 65.

3. IRS Direct Pay is currently only available to IMF taxpayers. The service can be used for the following payment types:
 - Installment Agreements
 - Balance Due Notices
 - Estimated Tax Payments
 - Payments with a return
 - Payments with Extension-to-File.

NOTE: It is not necessary to file a paper Form 4868, Application for Automatic Extension of Time to File for U.S. F1040 Individual Income Tax Return, if a taxpayer makes an extension-to-file payment with IRS Direct Pay

- Payment for adjusted balance due (e.g., CP 2000 or Exam notice)
- Payment with Amended Return
- Payments with Form 5329, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts.
- Individual Shared Responsibility Payments (related to the Affordable Care Act (ACA)).

More payment types may become available in the future. Note that at this time only Form 1040-series payments and associated penalties can be made through IRS Direct Pay.

NOTE: Direct Pay does not accept payments for MFT 31 or 65, Separate Assessments.

IRM 21.2.1.57 - updated (7) to remove payroll deduction plans and (8) to include currently not collectible cases to the list of cases that cannot be processed by the Online Payment Agreement.

7. OPA will also permit individuals to:
 - Revise their payment due dates and/or amounts on an existing Standard installment agreement.
 - Revise an existing short term extension to a monthly payment plan.
 - Revise a routine installment agreement to a direct debit plan
 - Add new assessed balances to existing IAs, if the agreement meets streamlined criteria.
 - Reinstate a defaulted agreement if the taxpayer has defaulted more than twice in the past (TERM-IA) indicator on CC ENMOD. There is no change to Voice Balance Due (VBD).
 - Receive information on delinquent tax returns.
 - Establish agreements on accounts in notice status or status 22/24

NOTE: An IDT indicator does not block the use of OPA.

8. OPA **cannot** be used to :
 - Establish tiered payments (multiple payment amounts). Only one payment amount can be input.
 - Revise a DDIA in any way. This includes adding a liability, changing a payment date, payment amount, updating a routing or account number, or changing an existing DDIA to a regular IA.
 - Establish agreements on accounts in status 26 and 72
 - Add unassessed balances to existing agreements on assessed balances.
 - Establish agreements with both assessed and unassessed modules.
 - Establish agreements if the account has an interest or penalty computation hold.
 - Establish cross-reference agreements.
 - Establish Manually Monitored Installment Agreements (MMIA).
 - Establish Non-Streamlined payment agreements.
 - Resolve cases that are currently not collectible.

IRM 21.2.1.58 - additional applications in (2) were incorporated into the Secure Access eAuthentication process.

2. Secure Access eAuthentication is accessed automatically when individuals visit any of the IRS self-help tools protected by the authentication process. Individuals can learn more about this process at Secure Access: How to Register for Certain Online Self-Help Tools, which can be found at www.irs.gov/secureaccess. Currently, it is utilized by the following applications:
 - Get Transcript ONLINE - See IRM 21.2.1.52, Get Transcript, for more information.
 - IP PIN - See IRM 25.23.2.20, Identity Protection Personal Identification Number (IP PIN), for more information.
 - Online Payment Agreement - See IRM 21.2.1.57, Online Payment Agreement (OPA) for IMF Debts, and IRM 21.2.1.57.1, Online Payment Agreement for Certain BMF Debts, for more information.
 - Online Account - See IRM 21.2.1.62, Online Account, for more information.
 - FACTA QI
 - ePostcard
 - Taxpayer Digital Communications (TDC)

IRM 21.2.1.61.2 - removed providing AGI over the phone in (3).

3. While completing the student loan application, taxpayers are given the option of accessing the IRS DRT so individual tax information can be populated into the FAFSA. Assistors can provide specified line amounts from the processed return. Refer to the list below.

NOTE: If identity theft (IDT) is an issue, see (5), scenario 4 below.

- Type of return
- Number of exemptions
- Income tax after credits "Per Computer" figures on Command Code (CC) RTVUE
- Tax exempt interest income
- Non-refundable Education Credit

If an actual transcript is needed, follow IRM 21.2.3.5.9.2, IMF Transcript Ordering.