



January 15, 2021

Control No: TAS-13-0121-0001

Expires: 12/31/2021

Impacted IRM(s): 13.1.7

MEMORANDUM FOR TAXPAYER ADVOCATE SERVICE EMPLOYEES

FROM: /s/ Steven D. Willis
Acting Executive Director Case Advocacy, Intake and Technical Support

SUBJECT: Interim Guidance on Exclusion from TAS Case Acceptance Criteria Taxpayers Impacted by Pre-Refund Wage Verification Hold and Amended Returns

The purpose of this memo is to modify TAS case acceptance criteria and case closing procedures involving filing season 2021 Pre-Refund Wage Verification Hold (PRWVH) issues. Generally, TAS will delay until April 15, 2021 accepting most cases where the taxpayer's return has been stopped by Return Integrity Verification Operation (RIVO). However, TAS will accept cases from Congressional offices beginning March 5, 2021.

TAS is implementing these changes in order to best utilize our limited resources. Delaying most PRWVH hold cases until April 15, 2021 will ensure RIVO has received most of the third-party reporting data used in their filters. Accepting cases from Congressional offices on March 5, 2021 will allow TAS to identify and resolve systemic issues affecting all taxpayers. These changes are based on TAS's analysis of filing season 2020 cases.

1. Changes to Case Acceptance Criteria for PRWVH Issues

TAS Case Acceptance Criteria 1 through 8

TAS will not accept cases for taxpayers whose returns were filed during filing season 2021 and have been stopped by the RIVO filters that would normally meet TAS Case Criteria 1 – 4, Economic Burden ([IRM 13.1.7.2.1](#)), TAS Case Criteria 5 – 7, Systemic Burden ([IRM 13.1.7.2.2](#)), or TAS Case Criteria 8, Best Interest of the Taxpayer ([IRM 13.1.7.2.3](#)) until **April 15, 2021**. The **only** exception are cases from taxpayers whose refund involves an Offset Bypass Refund (OBR). These cases will be accepted as soon as we identify an OBR is needed.

TAS Case Acceptance Criteria 9

TAS will accept these 2021 filing season cases referred by a Congressional office where the taxpayer's refund has been stopped by the RIVO filters beginning March 5, 2021. These cases will be accepted under TAS Case Criteria 9, Public Policy ([IGM TAS-13-1120-0019](#), Accepting Cases Under TAS Case Criteria, Public Policy). By March 5, 2021 employees can identify in IDRS that refunds held in accordance with the Protecting Americans from Tax Hikes Act of 2015 (PATH Act) have been released and issued. See [IRM 21.4.1.3.1](#), PATH Act Refunds. Before accepting these cases, employees will verify in IDRS that the refund is not in the process of being released and issued. The **only** exception are cases from taxpayers whose refund involves an OBR. These cases will be accepted as soon as we identify an OBR is needed.

Prior Year Returns

The limitations on case acceptance discussed above will not apply to cases involving returns for prior tax years (*i.e.*, for tax years before 2020) if the return was filed before the current filing season. In these situations, the return would be held over from prior year's processing and refund freezes.

However, if the prior year return was recently filed (after January 1, 2021) the limitations on cases acceptance discussed above will apply.

Example: Taxpayer A filed their Tax Year 2019 return on June 3, 2020, and the refund is still being held by a RIVO initiated freeze when the taxpayer contacts TAS on February 4, 2021. TAS can accept the cases under the appropriate case criteria (1 through 9), as the taxpayer's return has already been through the normal RIVO data matching process.

Example: Taxpayer B filed their Tax Year 2019 and 2020 returns on February 1, 2021 and contacted TAS for assistance due to a PRWVH hold on the Tax Year 2019 return's refund on March 29, 2021. Since the Tax Year 2019 return was not timely filed TAS will not accept the case until April 15, 2021 unless the case involves an OBR.

Once the time frames for case acceptances discussed above have been met, a TAS case can be considered for case acceptance if the taxpayer's situation meets the acceptance criteria in [IRM 13.1.7](#), Taxpayer Advocate Service (TAS) Case Criteria.

2. Identifying PRWVH Cases

Although RIVO has made improvements to their Non-Identity Theft (Non-IDT) filters and procedures, the basic process is the same as in prior years.

The Non-IDT filters identify returns reporting income and withholding amounts not verified through available Information Return Masterfile (IRMF) data. RIVO programming suspends these returns and runs them against all IRMF data. The IRS loads new IRMF data daily, and once the IRS matches the data to the taxpayer's reported income and withholding, the IRS will systemically refile the return and release the refund.

TAS employees can identify PRWVH cases by reviewing Command Code (CC) IMFOL with definer 'T', or CC TXMOD with definer 'A'. Accounts will reflect a transaction code (TC) 971 with action code (AC) 134. When the return posts after two cycles, a TC 570 will generate to hold the refund.

3. Modification to PRWVH Case Closing Criteria involving Form 1040X

TAS will use abbreviated closing procedures for PRWVH cases accepted into TAS under the timeframes discussed above in Section 1 where an amended tax return is necessary to resolve the case. The assigned Case Advocate will explain to the taxpayer the need to file and how to file an amended return. Once the taxpayer has been educated, TAS will close the taxpayer's case in TAS.

TAS employees will instruct taxpayers to file the amended return using the ICT/IVO process, where the taxpayer writes the phrase "ICT/IVO" on the top of the Form 1040-X and mails it to the following designated mailing address:

Internal Revenue Service
Stop 360
310 Lowell St.
Andover, MA 01810

TAS will explain the normal processing timeframe for these amended returns is **60 days** and advise the taxpayer to contact TAS if his or her amended return has not been processed within that timeframe.

This "ICT/IVO" process will still be considerably faster than the taxpayer filing an amended return normally, even if they file electronically. TAS will monitor IRS processing of PRWVH cases to reevaluate whether changes need to be made to timeframes included within this IGM. While this IGM is in effect, National Taxpayer Advocate (NTA), or her designee, may amend this guidance and its referenced timeframes by issuing a communication through the TAS Welcome Screen to all TAS employees.

Effect on Other Documents:

This IGM supersedes IGM 13-0419-0004 issued April 2, 2019. This temporary guidance may be included in the next revision of IRM 13.1.7. Please contact Michael Kenyon, Deputy Executive Director of Case Advocacy, Technical Support, at (701) 237-8299, if you have questions.

cc: www.irs.gov