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MEMORANDUM FOR TAXPAYER ADVOCATE SERVICE EMPLOYEES

FROM: /s/ Bridget Roberts  
Deputy National Taxpayer Advocate

SUBJECT: Interim Guidance - Economic Impact Payments  
and TAS Case Acceptance

This memorandum modifies TAS case acceptance criteria for cases involving Economic Impact Payments (EIPs). On May 14, 2020, TAS issued IGM TAS-13-0520-0011 to limit TAS case acceptance of stand-alone EIP issues. At that time, TAS could not assist these taxpayers because the IRS did not have the programming necessary to correct many EIP issues.

The IRS now anticipates having programming in place to correct some EIP issues in mid-August. In addition, the IRS is implementing automatic recoveries to correct some EIP issues for segments of taxpayers affected by similar issues. Based on these advancements, TAS is modifying our case acceptance criteria for EIP cases as discussed below, effective August 10, 2020. These changes allow TAS to accept every EIP issue where the IRS currently has programming in place to correct the problem, or implementation of corrective programming is imminent.

Even though some processes are still in development and others are new, many taxpayers have been waiting for months for their EIP problems to be addressed. TAS employees should be empathetic and understand that these delays are frustrating for taxpayers. TAS employees must also set realistic expectations during their initial conversations with taxpayers. Advise the taxpayer that although some EIP issues can be resolved with current programming, some corrective programming is still in development and may not resolve their issue

immediately. This is especially true for taxpayers whose case requires manual adjustment ([Section II](#) below) and/or cases accepted under TAS Criteria 5 – 7 where resolution may take 60 days or longer.

**Note:** TAS criteria 5 is for cases where the taxpayer has been waiting for resolution 30 days past the normal IRS processing time. TAS will use August 10, 2020 as the normal IRS processing time for EIP cases. This means TAS will accept new cases under criteria 5 beginning on September 10, 2020. TAS will immediately accept cases under other criteria, including hardship cases under criteria 1-4. See [IRM 13.1.7.2.2](#), TAS Case Criteria 5 – 7, Systemic Burden.

When TAS does not have delegated authority to resolve an issue, TAS typically uses individual Operation Assistance Requests (OARs) to work with the IRS to resolve issues. When appropriate, TAS will collaborate with the IRS to develop bulk OAR processes to handle groups of similar cases, to reduce both IRS and TAS burdens, and to expedite resolution for taxpayers. As TAS's EIP case resolution strategy evolves, guidance regarding bulk OAR processes will be made available at such time it is necessary.

**Reminder:** When creating a case for an EIP issue listed in Sections I or II below in the Taxpayer Advocate Management Information System (TAMIS) TAS employees will add "CARES" to National Office (N.O.) Use field on Taxpayer Screen 5 to identify cases accepted under this guidance.

If the taxpayer meets case acceptance criteria (see IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria), TAS will accept the cases related to the issues listed in [Section I](#) and [Section II](#) of this IGM.

**I. EIP issues TAS will accept, based on established guidance and processes:**

1. TAS will continue to accept issues already routinely worked in TAS, where the EIP is delayed because of problems stemming from a filed 2019 or 2018 return. These issues typically stop both the taxpayer's original refund and the EIP and may include, identity theft, duplicate returns, and certain Return Integrity Verification Operation (RIVO) issues. TAS will continue to work these cases normally, using the normal OAR routing process. If TAS successfully resolves the problem

with the 2018 or 2019 return, it may result in systemic release of the EIP. For a list of situations where TAS's normal casework will systemically release an EIP, see [IRM 21.6.3.4.2.13.1\(5\)](#), Economic Impact Payments - Account Information.

2. Unresolved Lost/Missing EIP Direct Deposits (not returned by the Electronic Return Originator (ERO), bank, or third-party) and Paper Checks. When oral statement authority is met, TAS has delegated authority to input Command Code (CC) CHKCL. See [IRM 21.4.2-1](#), Command Code CHKCL Input. In all other circumstances, TAS must secure [Form 3911](#), Taxpayer Statement Regarding Refund, from the taxpayer and send an OAR to the Operating Division (OD)/function. See [IRM 21.4.2](#), Refund Trace and Limited Payability, and Case Assistance by Issue Code (CABIC) Issue Code (IC) 010, Lost/Stolen Refund, for additional information.
3. Unresolved Returned/Undeliverable EIP Paper Checks. When oral statement authority is met, TAS has delegated authority to input a CC CHK64 and update the address, see [IRM 21.4.2-1](#), Command Code CHKCL Input. In all other circumstances, TAS will secure [Form 3911](#), Taxpayer Statement Regarding Refund, from the taxpayer and send an OAR to the OD/function. See [IRM 21.4.2](#), Refund Trace and Limited Payability, and CABIC IC 030, Undeliverable Refund, for additional information.

**Note:** Taxpayers can also self-resolve this issue by providing direct deposit information via the "Get My Payment" application. This self-service option will systemically generate a direct deposit within two weeks. For additional information refer to the [Economic Impact Payment Information Center](#).

**II. EIP issues TAS will accept for case development and monitoring, where EIP guidance and programming is under development by the IRS:**

[IRM 21.6.3.4.2.13.3](#), Economic Impact Payments - Manual Adjustments, is in the process of being updated to provide procedures for the issues discussed in this section. However, until the proposed updates to this IRM have been published the IRS will not be performing manual EIP adjustments. During this period of time, TAS employees should perform case building activities in anticipation of issuing OARs once the final IRM procedures have been published. It is also important to communicate with

the taxpayer or representative and set the expectation that these issues will take longer to resolve as we are relying on the pending procedures in order to make these adjustments.

1. Unresolved Math Errors affecting EIP. When oral statement authority is met, TAS has delegated authority to correct certain Math Errors, see [IRM 21.5.4.5.4](#), Math Error Substantiated Protest Processing, and CABIC IC 320, Math Error. For EIP issues stemming from math error(s) on a 2019 (or 2018) for which the EIP was based:
  - a. If TAS has delegated authority to correct the Math Error, TAS will take action to correct it. However, TAS does not have delegated authority to adjust the affected EIP because the reduction is not the result of a service error and its correction is computational in nature. For a re-computation, manual adjustment and release of the EIP, TAS will advocate for resolution per [IRM 21.6.3.4.2.13.3](#) once programming becomes available.
  - b. If TAS does not have delegated authority to correct the Math Error, TAS will use the normal OAR process. Once programming becomes available, one OAR can resolve both the Math Error and the EIP. Until then, TAS should issue one OAR to resolve the Math Error and a second OAR to request re-computation, manual adjustment and release of the EIP, per [IRM 21.6.3.4.2.13.3](#).
2. Resolved Math Errors, where EIP was affected but not corrected based on the resolution of the Math Error. TAS does not have delegated authority to adjust the affected EIP because the reduction is not the result of a service error and its correction is computational in nature. For a re-computation of the EIP, manual adjustment and release, TAS will advocate for resolution per [IRM 21.6.3.4.2.13.3](#), once programming is available.
3. EIPs Returned in Full by the Taxpayer (e.g., ineligible, religious objection, etc.). When a taxpayer returns the EIP to the IRS, the EIP is posted back to Masterfile Transaction Code (MFT) 30 for the 2020 tax period. A TC 670 for the repayment amount and a secondary TC 570 will be posted to CC TXMODA, see [IRM 3.8.45.18](#), Repayment of Economic Impact Payments (EIP). Once posted, a credit balance and a -R freeze will be evident.

TAS does not have delegated authority to adjust the credit balance to zero because the credit balance is not the result of a service error and cannot be resolved using procedures found in [IRM 21.5.6.4.25.2](#), Resolving -R Freeze. Therefore, TAS will advocate for resolution of these cases, per [IRM 21.6.3.4.2.13.3](#), once programming is available.

4. EIPs Returned by Joint Filers, where one individual on a jointly filed return is ineligible (e.g., deceased or incarcerated). Taxpayers may **voluntarily** return an erroneous EIP when one individual is ineligible to receive an EIP, and the other is eligible. The EIP will be posted to IDRS as explained in (3) above and in [IRM 3.8.45.18](#).

TAS does not have delegated authority to adjust the credit balance to reflect only the EIP of the eligible taxpayer because the credit balance is not the result of a service error, it is computational in nature and cannot be resolved using procedures found in [IRM 21.5.6.4.25.2](#). Furthermore, TAS does not have delegated authority to issue a manual refund when the account is open in another OD/function (e.g., TC 570). Therefore, TAS will advocate for resolution of these cases, per [IRM 21.6.3.4.2.13.3](#), once programming is available.

**Note:** If the taxpayer returned only the erroneous portion of the EIP (i.e., portion attributable to the ineligible taxpayer), following guidance in (3) above.

5. Unprocessed Injured Spouse Claims, where [Form 8379](#), Injured Spouse Allocation, is associated with the return used to calculate the EIP (tax period 2019 or 2018, as applicable) or secured by TAS. TAS does not have delegated authority to process [Form 8379](#) because it is part of an underlying claim for refund for which TAS has no authority. Therefore, TAS will advocate for resolution of these cases, per [IRM 21.4.6.5.8.3](#), Processing of Form 8379 Injured Spouse Allocation, and per [IRM 21.6.3.4.2.13.3](#), once programming is available.

**Note:** See [Section III \(1\)](#) below for processed Injured Spouse claims. An automatic recovery will systemically correct EIP issues where initial programming failed to issue half the EIP to the injured spouse and the entire EIP was offset to one spouse's debt.

6. As the IRS creates additional procedures to manually adjust EIP account issues in [IRM 21.6.3.4.2.13](#) or in other relevant IRM sections, the Deputy National Taxpayer Advocate can make a decision to accept those taxpayer issues (meeting case acceptance criteria) and will communicate that decision to staff via a Welcome Screen article should the need arise. TAS will facilitate relief and resolution via the OAR process or take action under TAS Delegated, as appropriate.

### III. EIP issues TAS will not accept as cases:

1. In July 2020, the IRS began performing automatic recoveries to systemically release EIPs in limited circumstances. In these situations, TAS assistance will not expedite or improve EIP processing. Therefore, TAS will not accept cases for the following stand-alone EIP issues:
  - a. Qualifying child portion of the EIP for taxpayers who used the Non-Filer Tool prior to May 17, 2020 and claimed at least one qualifying child but, due to programming, did not receive the qualifying child portion of the EIP;
  - b. Injured Spouse cases where initial programming to issue half the EIP to the injured spouse failed and the entire EIP was offset to the debt; and
  - c. EIPs for prisoners and decedents stopped at Bureau of Fiscal Services (BFS).
  - d. Other Automatic Recoveries, as they become available, where the IRS implements systemic remedies to correct and release EIPs. TAS leadership will inform staff about these resolutions as we become aware of them via a Welcome Screen article.

**Note:** If the IRS's planned automatic recovery and systemic release do not resolve all of these accounts, TAS will work with the IRS to determine if an additional systemic recovery can be performed or if the ability to perform manual adjustments will be established where TAS can provide assistance in these situations.

2. In most instances, taxpayers who received less EIP than they are entitled to can reconcile the difference as the recovery rebate credit on their 2020 tax return. In these situations, the IRS does not have the programming to adjust the EIP once it is issued. Therefore, TAS will not accept cases for stand-alone EIP issues where:
  - An individual is claimed as a dependent on another person's 2019 tax return or checked the box on their own 2019 return stating they

could be claimed as a dependent on another person's return, so they are deemed ineligible for their own separate EIP. This can also include situations where the individual receives Social Security Administration (SSA)/Railroad Retirement Board (RRB), Veteran Affairs (VA) or Social Security Supplemental Income (SSI) benefits;

- An individual filed a 2019 tax return (including a Non-filer or "simple" return) but the EIP was calculated based on an information return (SSA 1099 or RRB 1099), SSI or VA benefits;
- A taxpayer's EIP was calculated based on a 2018 tax return and the taxpayer wants it calculated on a 2019 tax return (or vice versa);
- A taxpayer files an amended return, with the sole intention of impacting the EIP.

For EIP issues where TAS is not able to directly assist taxpayers, TAS will continue to:

- Educate taxpayers and direct them to [IRS resources](#) or the IRS help line at 1-800-919-9835 to get answers to their EIP related questions;
- Use outreach and other forums to gather feedback and improve the IRS's educational resources;
- Identify systemic problems using the [Systemic Advocacy Management System \(SAMS\)](#) and work with the IRS to correct them; and
- Monitor IRS developments in EIP processing and re-evaluate this interim guidance as the situation changes.

### **Effect on Other Documents:**

This IGM supersedes IGM TAS-13-0520-0011 (May 14, 2020). TAS may incorporate this guidance into the next revision of IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria.

Please contact Michael Kenyon, Deputy Executive Director of Case Advocacy, Technical Support, at (701) 237-8299, if you have questions.

cc: [www.irs.gov](http://www.irs.gov)