

IRM PROCEDURAL UPDATE

DATE: 01/14/2021

NUMBER: wi-03-0121-0090

SUBJECT: SBA; Rejection Criteria; Business Names; Signature

AFFECTED IRM(s)/SUBSECTION(s): 3.5.20

CHANGE(s):

IRM 3.5.20.2.4(4) a) Updated acceptable location for disaster notation.

4. KCSPC processes all SBA Disaster Transcript Requests.

NOTE: If a regular Disaster Transcript Request is received in another site, the receiving site will process.

- a. The requester writes the word "Disaster" or the name of the disaster to indicate a need for expedited processing. The notation is generally on the top but will be accepted anywhere on the form.

EXAMPLE: "California wildfires" is notated in the left margin of Form 4506. Process as a disaster request.

- b. RAIVS provides tax return transcripts for individual, corporation, and partnership returns generally within 24 - 48 hours of receipt.
- c. The maximum time frame for providing this service is **2 days**.

IRM 3.5.20.2.6.2(7) Added RAIVS rejection criteria for blank line 6 Form 4506 series.

7. Taxpayers must indicate the tax type for the information or copies they are requesting. Types of tax are categorized into a two digit Master File Tax Code (MFT). Taxpayers indicate this as a tax form or form series on line 6 of the Form 4506 series. Reject the request if the entry on line 6 of the Form 4506 series is blank or does not match the MFT for the types of returns the taxpayer files, letting the requestor know the entry on line 6 is incorrect or invalid. Below is a list of the commonly used MFTs with associated tax forms:
 - MFT 02: Form 1120 series
 - MFT 06: Form 1065
 - MFT 30: Form 1040 series

EXAMPLE: If the taxpayer enters Form 1065 on line 6 and the taxpayer filed Form 1120 series under MFT 02, reject the request for incorrect/invalid entry on line 6. If the taxpayer enters Form 1120 on line 6 and the taxpayer filed Form 1120-S, process the request since the type of tax (MFT) is correct.

CAUTION: Do not confuse the type of tax (MFT) with the taxpayer's filing requirement. The requestor must still have authorization and sign the request with the correct title for the taxpayer's filing requirement. See IRM 3.5.20.2.7(6).

IRM 3.5.20.4.2.3.1(2) b) Clarified "c/o" or "DBA" rules line 5a Form 4506 series.

2. **Do not** send information to a third party whose name and address is not listed on the properly signed consent. For IVES, the Form 4506 series must have the IVES participant's information on line 5a.

CAUTION: An intentional disclosure of taxpayer information by a federal employee based on an invalid consent is an unauthorized disclosure and could result in a felony criminal offense.

- a. Reject if line 5a contains more than one address for the IVES participant.
- b. The request may contain one (1) additional company other than the IVES participant on line 5a. This is done by inputting a company's information, followed by "c/o" and then the IVES participant's information. Businesses can also include their DBA information on this line. Reject if more than one additional company is present or if "c/o" or "DBA" are not present with the additional information.
- c. IVES participants cannot use a sticker or text box to overlay line 5a with their information. The IVES participant's information must already be stamped, typed or written on the Form 4506 series when the taxpayer signs.

EXCEPTION: IVES participants may add the SOR mailbox after the taxpayer signs by using a sticker, a text box, a stamp, typing or writing. The SOR still cannot overlay any of the original information entered on line 5a.

IRM 3.5.20.4.2.3.1(3) Added IVES rejection criteria for blank line 6 on Form 4506 series.

3. Taxpayers must indicate the tax type for the information or copies they are requesting. Types of tax are categorized into a two-digit Master File Tax Code (MFT). Taxpayers indicate this as a tax form or form series on line 6 of the Form 4506 series. Reject the request if the entry on line 6 of the Form 4506 series is blank or does not match the MFT for the types of returns the

taxpayer files, letting the requestor know the entry on line 6 is incorrect or invalid. Below is a list of the commonly used MFTs with associated tax forms:

- MFT 02: Form 1120 series
- MFT 06: Form 1065
- MFT 30: Form 1040 series

EXAMPLE: If the taxpayer enters Form 1065 on line 6 but the taxpayer filed Form 1120 series under MFT 02, reject the request for incorrect/invalid entry on line 6. If the requestor enters Form 1120 on line 6 and the taxpayer filed Form 1120-S, process the request since the type of tax (MFT) is correct.

CAUTION: Do not confuse the type of tax (MFT) with the taxpayer's filing requirement. The requestor must still have authorization and sign the request with the correct title for the taxpayer's filing requirement.

IRM 3.5.20.4.2.3.1(4) Added IVES instructions for signature types.

4. The taxpayer's signature or authorized person's signature must be on the request document in order to provide authorization for disclosure. The printed/typed name line on Form 4506-C must also be completed to identify the signer. Reject if either are missing.
 - a. Electronic signatures are acceptable.
 - b. Reject if signature is stamped.

IRM 3.5.20.4.2.3.3(1) Added IVES instructions for signature types.

1. All IVES requests for tax return information must be signed by the taxpayer or an authorized representative. Electronic signatures can be accepted, stamped signatures are to be rejected. If signed by someone other than the taxpayer, see IRM 3.5.20.4.2.3.2, *Authorization to Release Tax Return Information*, for required documentation.



NOTE: A check mark or "X" used to designate where the taxpayer should sign is not considered a valid signature.

REMINDER: The "Print/Type name" line on Form 4506-C must be completed. Reject if the line is blank. See Exhibit 3.5.20-5.

Exhibit 3.5.20-5 Removed BMF limitation from rejection list.

Reason for Rejection	Cover Sheet Reject Code
NOTE: Enter all codes if more than one applies	
Line 1a, 2a, or 3 -Taxpayer name is Altered, Illegible, Missing, Incomplete, or Invalid.	1
Line 1b or 2b -Taxpayer SSN/EIN is Altered, Illegible, Missing, Incomplete, Invalid, or has more than or less than 9-digits.	1
Taxpayer Address is: Altered, Illegible, Missing, Incomplete, Invalid, or Two Addresses present on line 3 and/or line 4.	2
No Taxpayer Account - No record of information on file for the taxpayer.	2
<p>Line 5a - Any of the following information is Missing, Altered, Illegible, or Incomplete or is a label:</p> <ul style="list-style-type: none"> • Name (often business name) • Address <p>NOTE: IVES participant ID number is not required on Line 5a. If it is present on Line 5a, reject code 3 is used if the ID number is altered.</p>	3
<p>Line 5a contains the following:</p> <ul style="list-style-type: none"> • Names and/or information for two businesses without "DBA" or "C/O" • Two addresses listed for the same business 	3
IVES participant ID number on batch cover sheet is Illegible, Missing, Incomplete or Invalid.	3
<p>Participant SOR/Mailbox is: Altered, Illegible, Missing, Incomplete, or Invalid. NOTE: The SOR/mailbox is acceptable if found at the top of the request.</p> <p>NOTE: Do not reject a request for a sticker only containing the SOR mailbox. TDS will reject the input if the SOR mailbox does not match the participant ID</p>	4

number. See IRM 3.5.20.4.2.11.	
Form 4506-T, Form 4506T-EZ or Form 4506-C was not received .	5
Revision date of Form 4506-T, Form 4506T-EZ or Form 4506-C is not acceptable.	5
Form 4506-T or Form 4506-C Line 6 Form Type: does not match Taxpayer TIN format.	5
Form 4506-T or Form 4506-C Line 6 is: <ul style="list-style-type: none"> • Altered, Illegible, Incomplete, or Invalid. • Missing or Blank for • Multiple requests for BMF only. 	5
Form 4506-T Box 6a, 6b, 6c or 8 is: Blank	5
Form 4506-C Box 6a, 6b, 6c or 7 is: Blank	5
Form 4506T-EZ Line 6 is: Altered, Illegible, Incomplete, or Old/Future years not available.	5
FORM 4506-T Box 7 - Checked	5
Form 4506-T Line 9 or Form 4506-C Line 8 is: Altered, Illegible, Incomplete or Missing, Blank or Old/Future years not available.	5
POA did not authorize - Forms, Products, or years requested.	5
POA Signature is - Missing, Illegible, Incomplete, or Altered.	6
Signature is - Missing, Illegible, Incomplete, Altered, or does not match the name on Line 1a, 2a, or 3.	6
Title (BMF ONLY) for person signing is not present.	6
Attestation Box Attestation Box not checked.	6
Signature Date 120 Days - The difference between the IRS Received Date and the signature date is more than 120 days or future date.	7
Form 4506-C Print/Type name line: <ul style="list-style-type: none"> • Name is missing or illegible. • Name is not an authorized taxpayer and no authorization documentation is attached or recorded on CAF. 	6
Signature Date Missing - The signature date is Altered, Illegible, Missing, Incomplete, or Invalid.	7
Information on form is illegible .	8
Information on form is altered .	9
Due to limitations: we cannot process request; TP will receive notice.	10