

IRM PROCEDURAL UPDATE

DATE: 03/05/2024

NUMBER: wi-03-0324-0347

SUBJECT: Clarified Credit Transfer and Action Code 430 Procedures

AFFECTED IRM(s)/SUBSECTION(s): 3.12.38.5.7

CHANGE(s):

IRM 3.12.38.5.7(6) Clarified credit transfer procedures and added (7) Action Code (AC) 430 clarification.

(6) The following transfers can be completed by the Reject/Suspense Units:

- Returns received with excess remittance.
- Multiple period returns which require the payment to be split.
- Transfers to Unidentified.
- Returns being posted to a different EIN/SSN, MFT, or Tax Period and the associated payment has already posted to an incorrect module.

Caution: Ensure that all related transactions, such as extensions, are transferred to the same module as the return. Do **not** transfer an extension to file for a final or short year return that ends before the return due date. See Exhibit 3.12.38-28, Credit Transfer.

Note: Never do a credit transfer when a **-B** freeze code is present or if the payment is three years or older (expired RSED).

(7) Once the credit transfer is complete, suspend the return with Action Code (AC) 430. Monitor the account to ensure the credit transfer posts. When the credit transfer posts, continue processing the return.

Note: AC 430 has a 10 day suspense period. You may have to activate the return if the credit transfer posts before the 10 day suspense period.