

IRM PROCEDURAL UPDATE

DATE: 03/15/2024

NUMBER: wi-03-0324-0409

SUBJECT: Correspondence Instruction and Executive Directive

AFFECTED IRM(s)/SUBSECTION(s): 3.21.19

CHANGE(s):

IRM 3.21.19.9 added Executive Directive for received date and envelopes.

(1) All money amounts must be entered in **U.S. dollars**.

Caution: If the entries on the return are not in U.S. dollars, see IRM 3.21.19.11.2.

(2) Money amounts can be a positive or negative number.

(3) Do not bracket negative amounts. Refer to IRM 3.21.19.9.1 (4) table, ninth row about brackets and parenthesis.

(4) Tax period is edited in YYYYMM format.

(5) Edit the date in MMDDYYYY format when the date does not appear in month-day-year format. These are most of the fields on the foreign trust returns: *Received date, correspondence received date, date of death, date trust created, date of transfer, date of original obligation, date foreign trust created, date of distribution, date of original loan, and date of gift.*

Example: If the Taxpayer enters the dates in the following formats (e.g., September 11, 2023, Sept. 11, 23, 9-11-23, 09/11/23, 09/11/2023) then no editing is needed. However, if the taxpayer enters a date like **Apr. 2023** or **23 October 2023**, then it is not clear. Edit **04012023**, and **10232023** for the above examples. If the date is blank or unknown, edit the first day and month of the return tax period (e.g., **01012023**).

(6) Put the returns in page order starting with page 1. Attachments to support entries can be deleted with an "X".

(7) For Form 3520:

- a. Year of sale, year of loan, year of subsequent variances, and tax year qualified obligation first reported, is edited in YY format.
- b. Attachment(s) to support Part I - Line 11b, Line 14 or Line 18, Part II - Line 22, Part III - Line 29, 30 or 44 and/or Part IV - Line 54 or 55 do not have to be

in any type of order, but must be behind page 6 or can be deleted by slashing. If slashed, it is not necessary to move them. Do not staple together.

(8) For Form 3520-A:

- a. If multiple page 3 (The Foreign Grantor Owner Statement) is attached, edit the first five. Edit line 5, lines 6a-6g and line 9. Leave in order behind page 3, and "X" the extra page 3s.
- b. If multiple page 5 (The Foreign Grantor Beneficiary Statement) is attached, edit only the first one. Edit line 6, lines 6a-6b, line 7 columns (b), (c), (f) and line 9. Leave in order behind page 5, and "X" the extra page 5s.

(9) Due to Executive Directive all returns will be stamped with a received date and have the envelope attached.

IRM 3.21.19.29.11 Added correspondence instructions for line 23.

(1) An entry is required on Line 23. If Line 23 reads "None", "X" the entry and edit a zero "0" on Line 23. Do not correspond when editing zero. If the 3520 is a final or amended return, do not correspond for the value.

If	Then
Line 23 is blank, dash or zero	<ol style="list-style-type: none"> 1. Single page 3, Form 3520-A, Foreign Grantor Trust Owner Statement attached. <ol style="list-style-type: none"> a. Line 9 has an entry, enter the amount to line 23 and do not correspond. b. Line 9 does not have an entry correspond. Edit CCC "U" and mark line 16 on the 3653C CAS. 2. Multiple page 3s, Form 3520-A, Foreign Grantor Trust Owner Statement attached. <ol style="list-style-type: none"> a. Add all the line 9's together and enter on line 23. Do not correspond. b. if all the line 9's are blank correspond. Edit CCC "U" and mark line 16 on the 3653C CAS. 3. No 3520-A, Foreign Grantor Trust Owner Statement attached. Correspond and edit CCC "U" and mark Line 16 on 3653C CAS.
Line 23 has an entry	<ol style="list-style-type: none"> 1. Single page 3, Form 3520-A, Foreign Grantor Trust Owner Statement attached. <ol style="list-style-type: none"> a. If line 9 is blank enter the amount from Line 23. Do not correspond. b. If line 9 has an entry continue editing the return. 2. Multiple page 3s, Form 3520-A, Foreign Grantor Trust Owner Statement attached. <ol style="list-style-type: none"> a. Continue editing the return.