IRM PROCEDURAL UPDATE

DATE: 10/31/2023

NUMBER: wi-03-1023-1062

SUBJECT: Form 1099-Series Modernization IR MOD

AFFECTED IRM(s)/SUBSECTION(s): 3.12.8

CHANGE(s):

IRM 3.12.8.1(7) - Updated the Program Goals to include processing under the IR Mod Employee Information Returns Review Portal (IRRP).

(7) **Program Goals:**

- Correct paper income information return data records failing Information Return Paper Processing Document (IRPPD) validations in Generalized Mainline Framework (GMF) runs appearing on paper Error Register.
- Correct SCRIPS scanned income information return data records failing Information Return Paper Processing Document (IRPPD) validations in the Information Returns Intake System (IRIS) by using the IR Mod Employee Information Returns Review Portal (IRRP).

IRM 3.12.8.1.1(2) - Added a new paragraph to the Background to include processing under the IR MOD Employee Portal.

(2) Filers can also create, upload, edit, and view information and downloaded completed copies of Form 1099-series information returns to IRS using Information Returns Intake System (IRIS) to fulfill the filing requirement. Data records failing IRRPD validations in IRIS during the conversion process fall out to error in the IRRP for correction.

Exception: Form 1099-QA is not included in IRRP processing.

IRM 3.12.8.1.3(2), (4), and (5) - Updated the Roles and Responsibilities to include processing under the IR Mod Employee Portal.

(2) The Department manager secures, assigns, and conducts training for the staff who perform the tasks throughout this instruction.

(3) The Planning and Analysis Staff give feedback and support to local management to achieve and effectively monitor schedules.

(4) The Team manager assigns the Error Register and Information Returns Review Portal (IRRP) submissions to control workflow and resolve error conditions listed in this IRM.

(5) The employee (tax examiner or quality reviewer) follow IRM instruction to correct the paper Error Register and electronic IRRP submissions which will resolve error conditions for proper posting.

IRM 3.12.8.1.4(2) - Added new paragraph for assigning and managing electronic filing submissions. Renumbered remaining paragraph accordingly.

(2) The Information Returns Review Portal (IRRP) has several features to view and manage electronic filing submissions identified by Information Returns Intake System (IRIS) as having errors.

- A manager can view both assigned and unassigned submissions in IRRP using the dashboard page. Submissions are assigned by the manager to the tax examiner, who completes, corrects, or flags the submissions. Once corrections are complete, a manager may assign complete submissions to quality review, or submit the corrected submission back to IRIS.

IRM 3.12.8.1.5(3) - Added a new paragraph for program control of electronic filing submissions.

(3) A manager can control both **assigned** and **unassigned** submissions in the Information Returns Review Portal (IRRP) by referring to the "Total Submission Count" and "Total Form Count" that display on each page. These counts will update continuously and can be used to determine inventory management.

IRM 3.12.8.1.6(1) - Added new acronyms, Employee User Portal, Individual Retirement Account (IRA), Information Returns Intake System (IRIS), Information Returns Modernization (IR MOD), Information Returns Review Portal (IRRP), Negative TIN (NTIN), and Standard Employee Identifier (SEID) to the Term/Acronym/Definition Table.

(1) Terms or acronyms present in this Internal Revenue Manual (IRM) include:

Term/Acronym	Definition
AC	Action Code
ATC	Account Type Code
AUSPC	Austin Submission Processing Campus
BMF	Business Master File

DLN	Document Locator Number
EIN	Employer Identification Number
EUP	Employee User Portal
FATCA	Foreign Account Tax Compliance Act
FLC	File Location Code
GMF	Generalized Mainline Framework
IMF	Individual Master File
IRA	Individual Retirement Account
IRIS	Information Returns Intake System
IRM	Internal Revenue Manual
IR MOD	Information Returns Modernization
IRP	Information Return Processing
IRPPD	Information Return Paper Processing Document
IRRP	Information Returns Review Portal
ISRP	Integrated Submission and Remittance Processing
KCSPC	Kansas City Submission Processing Campus
MCC	Major City Code
MFT	Master File Tax
NTIN	Negative TIN system
OSPC	Ogden Submission Processing Campus
Payer	Filer of income returns normally listed in Section 16
Payee	Taxpayer reported receiving income listed in Section 01 and returns other than Document Code (Doc Code) 69
PMF	Payer Master File
SCCF	Service Center Control File
SCRIPS	Service Center Recognition/Image Processing System
SCRS	Service Center Replacement System
SEID	Standard Employee Identifier
SME	Subject Matter Expert
SSN	Social Security Number
TIN	Taxpayer Identification Number
YYTY	Current tax year processed
YYPY	Current processing year
ZIP	Zone Improvement Plan

IRM 3.12.8.2.2 - Added a new subsection for Function Codes. Renumbered remaining subsections.

(1) The Function Code is a three-digit code used to describe "what" is being done to the return and by "whom". Function Codes are used in combination with Program Codes.

(2) Use Function Code "270" and the applicable Program Code when working paper register. Use Function Code "330" and Program Code 44340 when working errors on the Information Returns Review Portal (IRRP).

IRM 3.12.8.2.4(1) - Updated the paragraph to reference paper IRP processing only.

(1) Error Reason Codes appear in the return header line of the error register. Refer to the instructions below to process paper IRP returns using error register.

IRM 3.12.8.7 - Added a new section for Information Returns Modernization (IR MOD) processing.

(1) Beginning in calendar year 2023, the IRS established a new service to help with filing Information Returns. The Information Returns Intake System (IRIS) is a web-based platform that assists taxpayers in filing Information Returns **electronically**. IRIS programming can:

- Offer taxpayers an accurate and secure way to e-file Form 1099.
- Identify input errors and provide alerts for missing information.
- Allow the user the opportunity to make corrections to previously filed information returns.
- Allow taxpayers to save user information from year-to-year.

(2) If the taxpayer files a **Paper** Information Return instead, it is scanned in the Service Center Recognition Image/Processing System (SCRIPS) system before IRIS validation. A paper return that fails IRIS validation during the conversion process will fall out to error in the Information Returns Review Portal (IRRPD) for correction in Error Resolution.

(3) In IR MOD Release 1.3, Form 1099-series filers can utilize this new filing platform and the errors, if present, will no longer be correctable on paper register. Instead, Form 1099-series returns with errors are correctable in the Information Returns Review Portal (IRRP).

Exception: Form 1099-QA is not included in IR MOD processing.

IRM 3.12.8.7.1 - Added a new subsection for Information Returns Review Portal (IRRP).

(1) When errors are present on Form 1099-series returns after IRIS validation, they are viewed in the Information Returns Review Portal (IRRP). Here, managers, tax examiners, and quality reviewers can manage work and resolve error conditions.

Exception: Form 1099-QA is not included in IRRP processing.

(2) A specific "role" is established in IRRP for each user and will be associated with the user Standard Employee Identifier (SEID). The roles are defined as:

- **Manager** - Access to "Manage **Unassigned** Submissions" and "Manage **Assigned** Submissions" tiles that display on the Employee Portal Dashboard page. Submissions are assigned by the manager to a tax examiner, who will correct, flag for fraud, or view the submission. Once corrections are complete, the manager may assign completed submissions to a quality reviewer. When quality review is complete (or not needed) a manager will return the submissions to IRIS for validation.
- **Tax Examiner** - Access to "Tax Examiner Inventory" tile that displays on the "Daily Inventory Report of Errors" page. The tax examiner is responsible for viewing and correcting submissions assigned by a manager. The tax examiner corrects all records identified with errors within a submission and returns the completed submission back to a manager. Completed records can be corrected, flagged for fraud, or viewed by an examiner to ensure the values present are correct.
- **Quality Reviewer** - Access to "Quality Reviewer Inventory" tile that displays on the "Daily Inventory Report of Corrections" page. The quality reviewer is responsible for reviewing submissions that were previously completed by tax examiners. If the quality reviewer identifies an error, they can make updates to fields corrected by the tax examiner.

(3) The image of Form 1099-series returns will not be available (as scanned) in IRRP for use in correction by the tax examiner or quality reviewer in IR MOD Release 1.3. Use the DLN, shown on the "View Error Details" page in IRRP, and login to the Service Center Recognition Image/Processing System (SCRIPS) system to access a image of the return.

(4) IRRP will cross reference the Negative TIN (NTIN) database.

- An NTIN check, upon sinon, ensures users are registered with the NTIN service before accessing the application. See IRM 3.12.8.7.2(3), Information Returns Review Portal (IRRP) Access, for registration information.
- An NTIN check is performed after selecting a Submission ID hyperlink on the "Daily Inventory Report of Errors" or the "Daily Inventory Report of Corrections" pages. If a user, such as a tax examiner or quality review, selects a Submission ID and the NTIN check determines they are not authorized to view the submission, then an error message will display.

IRM 3.12.8.7.2 - Added a new subsection for Information Returns Review Portal (IRRP) access.

(1) After login the IRRP "Dashboard" page will display and allow users to navigate the main functions of the application. Users will view files in need of review or correction based on their assigned user "role".

(2) Request access to IRRP using the BEARS application with the following notation for the applicable "role":

- PROD ADMIN IRRP MANAGER (INFORMATION RETURNS REVIEW PORTAL (IRRP))
- PROD ANALYST IRRP TAX EXAMINER (INFORMATION RETURNS REVIEW PORTAL (IRRP))
- PROD ANALYST IRRP QUALITY REVIEWER (INFORMATION RETURNS REVIEW PORTAL (IRRP))

(3) Because IRRP cross references the Negative TIN (NTIN) database users also need to register with NTIN through the EUP Portal.

- A onetime Employee User Portal (EUP) registration is needed for all users of NTIN client applications. This is necessary to add the Standard Employee Identifier (SEID) to the NTIN database.
- To register for NTIN, request EUP access:https://eup.eps.irs.gov/eup_login/?TYPE=33554433&REALMOID=06-3f47929c-50b7-0006-0000-090a0000090a&GUID=&SMAUTHREASON=0&METHOD=GET&SMAGENTNAME=-SM-HRme1%2bCg%2bp9xS85Jv1GKp1UMZH1KX6RaCncCKv51FkEP0lqUT68JNQO2KQ36g%2bNf&TARGET=-SM-http%3a%2f%2feup%2eeps%2eirs%2egov%2fEUP%2fwelcome.

(4) Additionally, tax examiners and quality reviewers need access to the Service Center Recognition Image/Processing System (SCRIPS) system at each Submission Processing Campus (SPC) to retrieve images of Form 1099-series returns in need of IRRP correction. SCRIPS access is approved in increments. Managers must complete a spreadsheet with specific information and return to Planning & Analysis who will forward the request to the Return Processing Branch Headquarter Analyst. The request will allow the SCRIPS application to be loaded on the users laptop. Once loaded, a SCRIPS profile is created and the user can request campus access using the BEARS application:

- SCRIPS-AUIRSC-WORKSTATION LEVEL (SCRIPS)
- SCRIPS-KIRSC-WORKSTATION LEVEL (SCRIPS)
- SCRIPS-OIRSC-WORKSTATION LEVEL (SCRIPS)

After receiving SCRIPS access, a user name and separate password is assigned for each SPC. Use this information to login to SCRIPS for document image retrieval.

(5) Use the **File Location Code** in the DLN to determine which SCRIPS campus to login to:

Service Center	File Location Code
Austin Submission Processing Campus (AUSPC)	18, 73, 74, 75, and 76
Kansas City Submission Processing Campus (KCSPC)	09, 36, 39, 41, and 43
Ogden Submission Processing Campus (OSPC)	29, 84, 86, 91, and 94

IRM 3.12.8.7.3 - Added a new subsection for using the Information Returns Review Portal (IRRP).

(1) The "Employee Portal Dashboard" is where users navigate the main functions of the application. Users can view tiles based on the role assigned to their Standard Employee Identifier (SEID).

(2) **Manager - Manage Unassigned Submissions** - Follow the steps below.

 a. **"Manage Unassigned Submissions"** - The Manage Unassigned Submissions page provides a view all submissions sent to IRRP from IRIS. These submissions will contain records identified by IRIS as having errors. On this page, a manager assigns submissions for correction by selecting a subset of submissions and a tax examiner SEID.
 b. The "Total Submission Count" and "Total Form Count" will display in the upper left hand corner of the page. Use these counts to manage inventory.

    Note: IRIS will update the Total Submission Count consistently throughout the day as data is received.

 c. A Table will display showing an empty checkbox, a "#", "Submission ID", "Form Count", and "Date Received by IRIS". The table is sorted by date, in descending order, with the oldest forms shown first.
 d. The "Search by the Tax Examiner SEID" option is located along the bottom of the page. There is a drop down arrow to allow a manager to search for and select the tax examiner identified for assignment from the list. A manager can also search for a specific SEID by typing within the drop down. Only one SEID can be selected at a time.
 e. Next, a manager can select one or more submissions and a tax examiner SEID to "Assign" submissions or navigate "Back" to the Dashboard page. To enable the "Assign" button, at least one checkbox must be selected and a tax examiner must be selected from the drop down.

    Note: There is no limit to the number of submissions a manager can select.

f. If a manager selects "Assign", the submissions are sent to the inventory of the selected tax examiner SEID, removed from the Manage Unassigned Submissions table, and added to the Manage Assigned Submissions table. The "You have successfully assigned submissions" message will appear. If a manager selects the "OK" button, the message will close.

    Note: The application default will show 20 submissions per page. The "Results Per Page" drop down can be changed to show 20, 50, or 100 results.

g. If a manager selects the "Submission ID" hyperlink, the "View Submission Details" page displays.

h. If a manager selects a submission that was already assigned by another manager then the message "Submission has already been assigned" will display and the table will refresh. Select "OK" to close the message.

(3) **Manager - View Submission Page** - Follow the steps below.

a. A table will display showing a "#", "Record ID", "Correction Status", "Error Count", and "Flagged for Fraud" checkbox. The table is sorted by the order received in the submission file from IRIS.

b. If Correction Status is "Complete", the "Flag Form for Fraud" checkbox is enabled. A manager can flag for fraud, if applicable, and "Update Status".

c. Select "Back" to return to the "View Submission Details" page.

(4) **Manager - Manage Assigned Submissions** - Follow the steps below.

a. **"Manage Assigned Submissions"** - The Manage Assigned Submissions page allows a manager to view the status of submissions that were assigned for correction or review. Here a manager can assign completed submissions for quality review, unassign submissions from tax examiners and quality reviewers, and submit completed submissions back to IRIS.

b. A manager can select any of the following filters: "Tax Examiner SEID", "Correction Status", "Quality Reviewer SEID", and "Review Status".

c. The "Total Submission Count", "Complete Corrections", and "Incomplete Corrections" will display in the upper left hand corner of the page. Use these counts to manage inventory.

    Note: IRIS will update the Total Submission Count consistently throughout the day as data is received.

d. A table will display showing an empty checkbox, a "#", "Tax Examiner SEID", "Correction Status", "Flagged Forms", "Date Assigned", "Form Count", "Reviewer SEID", "Review Status", and "Preview Submission". The table is sorted by date assigned (oldest to most recent), by "Tax Examiner ID" alphabetically, followed by Correction Status. Correction Status will be either "Complete" or "Not Assigned".

e. **"Enable Buttons"** will display in the following circumstances:

If	Then
A manager selects one or more submissions,	The "Unassign Examiner" button is enabled. Otherwise, it is disabled.
A manager selects one or more submissions with Review Status "Assigned",	The "Unassign Reviewer" button is enabled. Otherwise, it is disabled.
A manager selects one or more submissions with Correction Status "Complete" and Review Status "Not Assigned",	The "Send for Review" button is enabled. Otherwise, it is disabled.
A manager selects one or more submissions with Correction Status "Complete",	The "Submit to IRIS" button is enabled. Otherwise, it is disabled. **Note:** This selection allows a manager to select up to 25 submissions with a Correction Status of "Complete" back to IRIS.
The correction status is "Complete",	The "Flag Form for Fraud" checkbox is enabled. A manager has the option to update the fraud status, if necessary.

f. If a manager selects **"Unassign Examiner"** the submission is removed from the "Manage Assigned Submissions" table and returned to the "Manage Unassigned Submissions" inventory.

If	Then
A manager selects "Close",	No action is needed and the submission is not assigned.
A manager selects "OK",	The submission is removed from the "Manage Assigned Submissions" table and returned to the "Manage Unassigned Submissions inventory". The correction status is updated to "Unassigned".

g. If a manager selects **"Unassign Reviewer"** the Reviewer SEID will return to "N/A" and the "Review Status" will return to "Not Assigned". The Daily Inventory Report of Corrections table will update accordingly.
h. If a manager selects **"Send for Review"** the status is updated to "Assigned".
i. If a manager selects **"Submit to IRIS"**, the submission updates are sent to IRIS, and removed from the table and the "Daily Inventory of Corrections". Only 25 submissions can be submitted to IRIS at one time.

Note: Multiple SEID's will display. A manager must ensure they are sending submissions to IRIS for the correct SEID of the tax examiner.

The default will show 10 submissions per page. If there are more than 10 submissions, a manager can use the "Results Per Page "drop down list to change the number of visible rows on the table. The options will be 10, 25, 50 or 100 "Results Per Page". If there is more than 1 page of records on the table, use the "Previous" and "Next" arrows to navigate between pages on the table. If a valid page is entered, select "Jump To" text box and "GO" button.

  j. If a manager selects **"Preview Submission"** hyperlink the "View Submissions Details" page displays.
  k. If a manager selects the "Back" button, the portal will return to the Dashboard page.

(5) **"Tax Examiner"**: The tax examiner will correct submissions assigned by a manager. After error correction is completed the tax examiner will submit completed records back to a manager. Completed records can have corrected fields, be flagged for fraud, or be viewed by an examiner to ensure the present values are correct. Follow the steps below.

  a. **"Daily Inventory Report of Errors"** is the first page to display after tax examiners enter the portal. Here a tax examiner can view the submissions assigned by a manager and select submissions to begin making corrections. Complete all error corrections for records in the submission before returning to a manager.
  b. A table will display showing a "#", "Submission ID", "Form Count", "Error Count", and "Date Assigned". The table is sorted by the "Date Assigned", oldest to most recent.
  c. The "Unassign Incomplete Submissions" button will also display and is used to return unworked inventory back to the "Unassigned Submissions" table if the tax examiner is unable to complete the records. Select "Continue" to proceed with this action.
  d. Select the "Submissions ID" hyperlink to go to the "Correct Submissions" page to begin error correction.

(6) Follow the steps below for the tax examiner role on the **"Correct Submissions"** page:

  a. A table will display showing a "#", "Record ID", "Corrected by (SEID)", "Correction Status", "Error Count", and "Flagged for Fraud".
  b. Select the "Begin Corrections" button to begin resolving error conditions.
  c. When the correction status for all forms is "Complete", select the "Submit to Manager" button. Next, the message "Your corrections have been successfully submitted" displays. Select "OK" to return to the "Daily Inventory Report of Errors" page.

(7) **"View Error Details"** page allows a tax examiner to view the details of the submission:

a. The recipient Document Locator Number (DLN) will display in the upper left corner. Use the DLN to retrieve the SCRIPS image of the return.

b. All payment and edit fields will display. Checkboxes for all fields in error are automatically selected to determine the point of error. The checkbox will display before the individual box number that coincides with the Form 1099-series return that is being corrected.

   Exception: Form 1099-QA is not included in IRRP processing.

c. The original value received from IRIS will populate in both the "Field in Error" and the "Field Correction" fields. This allows the tax examiner to leave the field uncorrected, if necessary, by not changing the value in the "Field Correction" textbox.

   Note: If the tax examiner selects checkboxes for other fields, they are able to view the value for that field.

d. Fields in error will have a "Field Correction" textbox where tax examiners can enter corrections. Select "Next" when all corrections have been made. If all fields were corrected, then the message "Corrections Successful" will display. If unsuccessful, the message "You have left uncorrected fields" will display. On the last form, the "Next" button will change to "Save".

   Note: Fields in Error will display a textbox under the original value and a corrected value can be entered, if necessary. If the field does not need correction, leave the textbox unchanged. These fields will have their checkbox checked by default to view the error and you will not be able to uncheck to minimize the field. **Fields Not in Error** will also display to allow users to view and correct a value not identified as potentially containing an error. The field will provide a textbox under the original value and a corrected value can be entered, if necessary. If you see that the field does not need correction, leave the textbox unchanged. These fields will have their checkbox unchecked by default but the field can be viewed.

e. Forms can be flagged for fraud if the submission exhibits signs of fraudulent information. If the form in error has an indication that the record may contain possible instances of fraud, then select the "Flag Form for Fraud" checkbox. Selecting this checkbox will display a message to verify this action.

f. If the tax examiner needs to refer to prior forms they completed, select the "Previous Form" button. This button, however, is disabled on the first form of the submission. Select "Next" to perform validations on fields completed and continue to the next form in the submission.

g. Use the "Exit" link to leave the "View Error Details" page and return to the "Correct Submission" page. Selecting this link will bring up a modal making sure you want to continue to the Correct Submission page.

(8) "**Quality Reviewer**": A manager will assign a subset of submissions that require quality review. If the quality reviewer finds an error, they can make updates to fields previously corrected by the tax examiner. Follow the steps below.

    a. The **"Daily Inventory Report of Corrections"** is the first page that displays after entering the portal. Here a quality reviewer can view corrected submissions and select a submission for review.

    b. A table with filters will display. The reviewer can filter the table by "Tax Examiner SEID", "Quality Reviewer SEID", and "Review Status".

    c. The table will display a "#", "Submission ID", "Tax Examiner SEID", "Form Count", "Error Count", "Quality Reviewer SEID", and "Review Status". The table is sorted by "Review Status" "Complete", "Assigned" or "Not Assigned" then alphabetically by tax examiner SEID.

    d. **Submission Selection Checkbox:** This selection allows the reviewer to choose a subset of submissions that you want to perform an action on. There is no limit to the number of submissions that can be selected. In the header row, there is a select all checkbox that will select all the submission rows visible on the page.

    e. **Submissions ID hyperlink**: This selection allows the reviewer to view the "Review Submissions".

        Note: The default will show 10 submissions per page. If there are more than 10 submissions, use the "Results Per Page" drop down list to change the number of visible rows on the table. If you select the "Results Per Page "drop down list, the options will be 10, 25, 50 or 100. If there is more than 1 page of records on the table, use the "Previous" and "Next" arrows to navigate between pages on the table. If you enter a valid page in the "Jump To" text box and select the "GO" button, you will be sent to that page.

(9) **"Review Submission"**: Follow the steps below for the role of the quality reviewer:

    a. A table will display showing a "#", "Record ID", "Corrected by (SEID)", "Review Status", "Error Count", and "Flagged for Fraud". The table will be sorted by the order the records appear in the submission.

    b. Select "Begin Review" and the "View Correction Detail" page will display the first record requiring quality review. Follow the tax examiner instructions in (7) above to view the details of the submission.

    c. Complete the review of the fields in error by verifying the correction(s) shown in the "Field Correction" textbox. The checkboxes for the fields in error will automatically be selected.

        Note: If the reviewer selects checkboxes for other fields, they are able to view the value for that field.

    d. Select "Next" to determine if review was successful or if uncorrectable fields remain. On the last form in the submission the "Next" button will change to "Save".

e. Review all fields in the submission before selecting "Submit to Manager" and proceed to the next form for review.

f. When review is complete, the "Review Status" will change to "Review Complete (Updated)" or "Review Complete (No Changes)" and the "Submit to Manager" button is enabled.

g. Selecting "Submit to Manager" will result in a message stating "Your review has been successfully submitted". Select "OK" to return to the "Daily Inventory Report of Corrections" page.

   Note: If the "Correction Status" of the form is "Complete", then the "Flag Form" checkbox will be enabled. Otherwise, it will be disabled. If the "Flag Form" checkbox is updated, then the "Update Status" button will be enabled. Otherwise, it will be disabled.

h. There is no functionality in IRRP to print the "Error Detail" page. Use an alternative application to capture screen images when an error is identified and feedback is needed.

IRM 3.12.8.8 - Added a new section to resolve errors on Form 1099-series returns on the Information Returns Review Portal (IRRP).

Resolving Errors using the Information Returns Review Portal (IRRP)

(1) When IR MOD begins in September 2023, all paper Form 1099-series returns will be processed in Error Resolution using the Information Returns Review Portal (IRRP).

Exception: Form 1099-QA is not included in IRRP processing.

(2) Enter all money amounts in dollars and cents. Do not enter commas or decimals since IRRP will convert the money amount accordingly.

Example: A money amount of $5,000.00 is entered in IRRP as "500000".

(3) Refer to the **Correction Procedures** below to resolve errors for each Form 1099-series form type.

(4) If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.

(5) The Recipient Document Locator Number (DLN) will display on the "View Error Details" page in IRRP. Tax examiners will use this DLN to view the IRP image using Service Center Recognition Image/Processing System (SCRIPS). See IRM 3.12.8.8.1, Accessing IRP images using Service Center Recognition Image/Processing System (SCRIPS), for more information.

IRM 3.12.8.8.1 - Added a new subsection on Accessing IRP images using Service Center Recognition Image/Processing System (SCRIPS).

(1) The IRP image is unavailable in the Information Returns Review Portal (IRRP) for IR MOD Release 1.3. As a result, tax examiners will access the IRP image using Service Center Recognition Image/Processing System (SCRIPS).

(2) After receiving SCRIPS access and a password, login to the system by taking the following actions:

1. Type an uppercase "S" followed by your five-character Standard Employee Identifier (SEID) in lowercase. Press the "Enter" key.
2. Type your password.
3. Select the correct SCRIPS processing system from the Site drop down menu.
4. Press "ALT L" key combination or "Enter".
5. Press "Esc" to continue login.
6. See IRM 3.41.274.10.1, Logging in to SCRIPS, for more information.

(3) The "Workstation Main Menu" window will display next. Take the following actions:

1. Select "6" for "Additional Functions" and "Enter".
2. A sub menu will display. Select "1" for Doc Review and "Enter".
3. Select Form Type "1" for IRP and "Enter".
4. The IRP Document Review window will display in the upper right corner. Enter the recipient DLN, found on the IRRP submission, in the Document Review box for DLN/SN.

   Note: Do not include hyphens or dashes "-" in the DLN/SN box.

5. The IRP image will display on the left side of the SCRIPS screen. Multiple images may display (1-3 images per page) based on the form type. See IRM Exhibit 3.10.8-6, Number of Returns Per Page Allowed on Service Center Recognition/Imaging Processing System (SCRIPS) Income Returns, for more information.

   Note: Ensure you are referring to the correct IRP image in SCRIPS that matches the DLN.

6. Select "ALT X" or "Esc" to exit to a previous menu.

IRM 3.12.8.8.2 - Added a new subsection for Form 1099-A, Acquisition or Abandonment of Secured Property, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-A	Box name	Box type	+/-
Box 2	Balance of principal outstanding	Money amount	+
Box 4	Fair market value of property	Money amount	+
Box 5	Check if the borrower was personally liable for repayment of the debt	Checkbox	N/A
Box 6	Description of property	Description - 100 characters allowed	N/A

(2) Form 1099-A, Acquisition or Abandonment of Secured Property, will display for the following error conditions:

- Box 2, "Balance of principle outstanding" is greater than or equal to **#** ▮▮▮▮▮▮▮ **#** .
- Box 4, "Fair market value of property" is greater than or equal to **#** ▮▮▮▮▮▮ **#** .

(3) **Correction Procedures**:

a. If the entries in **Boxes 2 or 4** are greater than or equal to **#** ▮▮▮▮▮▮ **#** and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.3 - Added a new subsection for Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-B	Box name	Box type	+/-
Box 1a	Description of property	Description - 100 characters allowed	N/A
Box 1b	Date acquired	Date **Note:** Enter the date in YYYYMMDD format where YYYY=YYTY (processing year minus one)	N/A
Box 1c	Date sold or disposed	Date **Note:** Enter the date in YYYYMMDD format where	N/A

		YYYY=YYTY (processing year minus one)	
Box 1d	Proceeds	Money amount	+/-
Box 1e	Cost or other basis	Money amount	+/-
Box 1f	Accrued market discount	Money amount	+/-
Box 1g	Wash sale loss disallowed	Money amount	+/-
Box 2	Short-term or Long-term gain or loss or Ordinary checkbox	Checkboxes	N/A
Box 3	Collectibles or QOF checkbox	Checkboxes	N/A
Box 4	Federal income tax withheld	Money amount	+
Box 5	Check if noncovered security	Checkbox	N/A
Box 6	Report to IRS: Gross/Net proceeds	Checkboxes	N/A
Box 7	Check if loss is not allowed based on amount in Box 1d	Checkbox	N/A
Box 8	Profit (or loss) realized in YYTY on closed contracts	Money amount	+/-
Box 9	Unrealized profits or (loss) on open contracts 12/31/YYTY-1	Money amount	+/-
CUSIP number	Box under recipient entity in lower left-hand corner	Numeric - 13 characters allowed	N/A
FATCA checkbox	Checkbox found under the recipient entity in the lower left side of the document, FATCA filing requirement	Checkbox	N/A
Box 10	Unrealized profits or (loss) on open contracts 12/31/YYTY	Money amount	+/-
Box 11	Aggregate profit or (loss) on contracts.	Money amount	+/-
Box 12	Check if basis reported to IRS	Checkbox	N/A
Box 13	Bartering	Money amount	+

(2) Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, will display for the following error conditions:

- Box 1e, "Cost or other basis" is greater than or equal to **#** ▮▮▮▮▮▮ **#** .
- Box 1f, "Accrued market discount" is greater than or equal to **#** ▮▮▮▮▮▮ **#** .
- Box 1g, "Wash sale loss disallowed" is less than or equal to **#** ▮▮▮▮ **#** or greater than or equal to **#** ▮▮▮▮▮▮ **#** .
- Box 2 checkboxes "Short-term gain or loss" and "Long-term gain" are both checked.
- Box 3 checkboxes "Collectibles" and "QOF" are both checked.
- Box 4, "Federal income tax withheld" is greater than or equal to **#** ▮▮▮▮▮ **#** or does not equal the sum of Box 1d, Box 1e, 1g, Box 8, and Box 9.
- Box 6 checkboxes "Gross proceeds" and "Net proceeds" are both checked.

- Box 8, "Profit or (loss) realized in 2023 on closed contracts", is less than or equal to **#** ▮▮▮▮ **#** .
- Box 9, "Unrealized profit or (loss) on open contracts", is less than or equal to **#** ▮▮▮▮ **#** .
- Box 11, "Aggregate profit or (loss) on contracts", is less than or equal to **#** ▮ ▮▮▮▮ **#** .
- Box 13, "Bartering" is greater than or equal to **#** ▮▮▮▮ **#** .

(3) **Correction Procedures**:

a. If the entries in **Boxes 1e, 1f, 1g, 4, or 13** are greater than or equal to **#** ▮▮▮▮ **#** and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

b. If **Box 1g**, "Wash sale loss disallowed" is less than or equal to **#** ▮ ▮▮▮▮ **#** then review the SCRIPS image and verify input.

c. Verify the entry in the **Box 2** checkboxes by reviewing the SCRIPS image: Enter "1" if "Short-term gain or loss" is checked, "2" if the "Long-term gain or loss" is checked, and "3" if the "Ordinary" is checked.
If no box or multiple boxes are checked, Box 2 should be blank.

d. Verify the entry in the **Box 3** checkboxes by reviewing the SCRIPS image. Enter "1" if "Collectibles" is checked, "2" if "QOF" is checked, or "3" if both boxes are checked.
If no box is checked, Box 3 should be blank.

e. If **Box 4**, Federal income tax withheld, does not equal the sum of **Box 1d, Box 1e, Box 1g, Box 8, and Box 9**, then review the SCRIPS image and verify input.

   Note: If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information. If fraudulent activity is not suspected, select "Next" to continue.

f. Verify the entry in the **Box 6** checkboxes by reviewing the SCRIPS image: Enter "1" if "Gross proceeds" is checked, or "2" if "Net proceeds" is checked.
If neither box or both boxes are checked and you cannot determine taxpayer intent, Box 6 should be blank.

g. If **Box 8**, "Profit or (loss) realized in 2023 on closed contracts", is less than or equal to **#** ▮▮▮▮ **#** then review the SCRIPS image and verify input.

h. If **Box 11**, "Aggregate profit or (loss) on contracts", is less than or equal to **#** ▮ ▮▮▮▮ **#** then review the SCRIPS image and verify input.

IRM 3.12.8.8.4 - Added a new subsection for Form 1099-CAP, Changes in Corporate Control and Capital Structure, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-CAP	Box name	Box type	+/-
Box 1	Date of sale or exchange	Date **Note:** Enter the date in YYYYMMDD format.	N/A
Box 2	Aggregate amount rec'd	Money amount	+
Box 3	No. of shares exchanged	Numeric	N/A
Box 4	Classes of stock exchanged	Alpha and numeric - 12 characters allowed	N/A

(2) Form 1099-CAP, Changes in Corporate Control and Capital Structure, will display for the following error conditions:

- Box 1 "Date of sale or exchange" is not displaying in YYYYMMDD format.
- Box 2, "Aggregate amount rec'd" is greater than or equal to **#** ▉▉▉▉▉ **#** .
- Box 4 "Classes of stock exchanged" is not 12 alpha-numeric characters or blank.

(3) **Correction Procedures**:

a. The" Date of sale or exchange" in **Box 1** must be entered in the **YYYYMMDD** format. Review the SCRIPS image.
   If the date is entered incorrectly, change the year to equal the **current tax year processed** (processing year minus one).
   Enter the day of "01" to the **YYYYMM** present if a valid **MM** and **YYYY** appear with no **DD**.
b. If the entry in **Box 2**, "Aggregate amount rec'd" is greater than or equal to **#** ▉▉▉▉▉ **#** is correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.
c. The entry in **Box 4**, "Classes of stock exchanged", must consist of alpha and numeric entries and is valid for up tp 12 characters. Review the SCRIPS image and correct Box 4 using this format.

IRM 3.12.8.8.5 - Added a new subsection for Form 1099-C, Cancellation of Debt, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-C	Box name	Box type	+/-
Box 1	Date of identifiable event.	Date **Note:** Enter the date in **YYTYMMDD** for current year processing.	N/A
Box 2	Amount of debt discharged	Money amount	+
Box 3	Interest, if included in box 2	Money amount	+
Box 4	Debt description	Alpha and numeric - - 100 characters allowed	N/A
Box 5	Check here if debtor was personally liable for repayment of the debt.	Checkbox	N/A
Box 6	Identifiable event code	One character Alpha Code (A, B, C, D, E, F, G, and H)	N/A
Box 7	Fair market value of property	Money amount	+

(2) Form 1099-C, Cancellation of Debt, will display for the following error conditions:

- Box 1, "Date of identifiable event" does not equal the tax year of Form 1099-C.
- Box 2, "Amount of debt discharged" is greater than or equal to **#** ███████ **#** .
- Box 3, "Interest", is greater than or equal to **#** ███████ **#** .
- Box 7, "Fair market value of property", is greater than or equal to **#** █████ **#** .

(3) **Correction Procedures**:

a. The "Date of identifiable event" year in **Box 1** must equal the tax year for the Form 1099-C filing in YYTYMMDD format. Review the SCRIPS image.
   If the event date year does not equal the tax year then enter the tax year in YYTYMMDD format.
b. If the entries in **Boxes 1, 2, 3, or 7** are greater than or equal to **#** █████ **#** and they are correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.6 - Added a new subsection for Form 1099-INT, Interest Income, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes displayed**:

Location on Form 1099-INT	Box name	Box type	+/-
Box 1	Interest income	Money amount	+
Box 2	Early withdrawal penalty	Money amount	+
Box 3	Interest on U.S. Savings Bonds and Treasury obligations.	Money amount	+
Box 4	Federal income tax withheld	Money amount	+
Box 5	Investment expenses	Money amount	+
Box 6	Foreign tax paid	Money amount	+
Box 7	Foreign country or U.S. possession	Money amount	+
Box 8	Tax-exempt interest	Money amount	+
Box 9	Specified private activity bond interest	Money amount	+
Box 10	Market discount	Money amount	+
Box 11	Bond premium	Money amount	+
FATCA checkbox	Checkbox found under the recipient entity in the lower left side of the document, FATCA filing requirement	Checkbox	N/A
Box 12	Bond premium on Treasury obligations	Money amount	+
Box 13	Bond premium on tax-exempt bond	Money amount	+
Box 14	Tax-exempt and tax credit bond CUSIP no.	Numeric - 13 character field	N/A

(2) Form 1099-INT, Interest Income, will display for the following error conditions:

- Box 8, "Tax-exempt interest" is greater than or equal to # ███████ # .
- Box 9, "Specified private activity bond interest" is greater than or equal to # ██████ # .
- Box 10, "Market discount" is greater than or equal to # ██████ # .
- Box 11, "Bond premium" is greater than or equal to # ██████ # .
- Box 12, "Bond premiums on Treasury obligations" is greater than or equal to # ██████ # .
- Box 13, "Bond premium on tax exempt bond" is greater than or equal to # ██████ # .

(3) **Correction Procedures**:

a. If the entries in **Boxes 8, 9, 10, 11, 12, or 13** are greater than or equal to # █████ # and they are correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
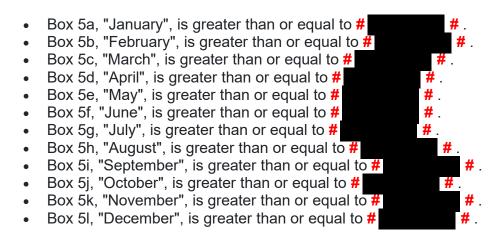   If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.7 - Added a new subsection for Form 1099-K, Payment Card and Third Party Network Transactions, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-K	Box name	Box type	+/-
Payment checkbox	Checkbox found under the filers data on the upper left - "Payment settlement entity (PSE)" or "Electronic Payment Facilitator (EPF)/Other third party"	Checkbox	N/A
Payment type checkbox	Checkbox found under the filers data on the upper left next to Payment checkbox - "Payment card" or "Third party network"	Checkbox	N/A
Box 1a	Gross amount of payment card/third party network transactions	Money amount	+
Box 1b	Card Not Present transactions	Money amount	+
Box 2	Merchant category code	Numerics - 4 character field	N/A
Box 3	Number of payment transactions	Numeric field	N/A
Box 4	Federal income tax withheld	Money amount	+
Box 5a	January	Money amount	+
Box 5b	February	Money amount	+
Box 5c	March	Money amount	+
Box 5d	April	Money amount	+
Box 5e	May	Money amount	+
Box 5e	June	Money amount	+
Box 5g	July	Money amount	+
Box 5h	August	Money amount	+
Box 5i	September	Money amount	+
Box 5j	October	Money amount	+
Box 5k	November	Money amount	+
Box 5l	December	Money amount	+

(2) Form 1099-K, "Payment Card and Third Party Network Transactions", will display for the following error conditions:

- "Payment settlement entity (PSE)" and "Electronic Payment Facilitator (EPF)/Other third party" checkboxes, found under the filers data on the upper left, are both "1".
- Box 1a, "Gross amount of payment card/third party network transactions" is greater than or equal to # ▮▮▮▮▮▮ # .
- Box 1b, "Card Not Present transactions", is greater than or equal to # ▮▮▮▮▮ # .
- Box 4, "Federal income tax withheld", is greater than or equal to # ▮▮▮▮▮ # .

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- Box 5a, "January", is greater than or equal to **#** ████████ **#** .
- Box 5b, "February", is greater than or equal to **#** ████████ **#** .
- Box 5c, "March", is greater than or equal to **#** █████████ **#** .
- Box 5d, "April", is greater than or equal to **#** ██████ **#** .
- Box 5e, "May", is greater than or equal to **#** █████ **#** .
- Box 5f, "June", is greater than or equal to **#** ██████ **#** .
- Box 5g, "July", is greater than or equal to **#** █████ **#** .
- Box 5h, "August", is greater than or equal to **#** ███████ **#** .
- Box 5i, "September", is greater than or equal to **#** ████████ **#** .
- Box 5j, "October", is greater than or equal to **#** █████████ **#** .
- Box 5k, "November", is greater than or equal to **#** ████████ **#** .
- Box 5l, "December", is greater than or equal to **#** ███████ **#** .

(3) **Correction Procedures**:

a. Review the SCRIPS image to determine the checkbox entry found under the filers data on the upper left corner of Form 1099-K. Enter a "1" if the "Payment settlement entity (PSE)" checkbox is marked or a "2" if the "Electronic Payment Facilitator EPF)/Other third party" checkbox is marked.
b. Review the SCRIPS image to determine the checkbox entry found under the filers data on the upper left corner of Form 1099-K. Enter a "1" if the "Payment card" checkbox is marked or a "2" if the "Third party network" checkbox is marked.
c. If the entries in **Boxes 1a, 1b, 4, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l,** are greater than or equal to **#** █████ **#** and they are correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.8 - Added a new subsection for Form 1099-LS, Reportable Life Insurance Sale, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-LS	Box name	Box type	+/-
Box 1	Amount paid to payment recipient	Money amount	+
Box 2	Date of sale	Date **Note:** Enter in YYYYMMDD format.	N/A

Box - Issuer's name	Issuer's name found below Date of Sale	Alpha and numerics - 75 characters allowed	N/A

(2) Form 1099-LS, Reportable Life Insurance Sale, will display for the following error condition:

- Box 1, "Amount paid to payment recipient", is greater than or equal to **#** ▮▮▮▮▮▮ **#** .

(3) **Correction Procedures**:

a. If the entry in **Box 1** is greater than or equal to **#** ▮▮▮▮▮▮ **#** and it is correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.9 - Added a new subsection for Form 1099-LTC, Long-Term Care and Accelerated Death Benefits, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-LTC	Box name	Box type	+/-
Box 1	Gross long-term care benefits paid	Money amount	+
Box 2	Accelerated death benefits paid	Money amount	+
Box 3	Per Diem/Reimbursed amount checkbox	Checkbox	N/A
Box - INSURED'S TIN	INSURED'S TIN - found under the calendar year in the upper right corner	Numerics - 9 character field	N/A
Box - INSURED'S name	INSURED'S name - found under Box 3, Per diem/Reimbursed amount checkbox	Checkbox - 75 characters allowed	N/A
Box 5	Chronically or Terminally ill checkbox	Checkbox	N/A
Box - Date certified	Date certified - found after Box 5	Date

Note: Enter in YYYYMMDD format. | N/A |

(2) Form 1099-LTC, Long-Term Care and Accelerated Death Benefits, will display for the following error condition:

- The "Per diem" and "Reimbursed amount" indicator is greater than "1".

(3) **Correction Procedures**:

a. If the **Box 3** "Per diem" and "Reimbursed amount" indicator are greater than "1" then review the SCRIPS image and verify input. Enter "1" if the "Per-diem" box only is checked. Enter "2" if the "Reimbursed amount" box is checked. Enter "3" if both boxes are checked. If no box is checked leave blank.

IRM 3.12.8.8.10 - Added a new subsection for Form 1099-MISC, Miscellaneous Information, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-MISC	Box name	Box type	+/-
Box 1	Rents	Money amount	+
Box 2	Royalties	Money amount	+
Box 3	Other income	Money amount	+
Box 4	Federal income tax withheld	Money amount	+
Box 5	Fishing boat proceeds	Money amount	+
Box 6	Medical and health care payments	Money amount	+
Box 7	Direct sales	Checkbox	N/A
Box 8	Substitute payments in lieu of dividends or interest	Money amount	+
Box 9	Crop insurance proceeds	Money amount	+
Box 10	Gross proceeds paid to an attorney	Money amount	+
Box 11	Fish purchased for resale	Money amount	+
Box 12	Section 409A deferrals	Money amount	+
Box 13	FATCA filing requirement	Checkbox	N/A
Box 14	Excess golden parachute payments	Money amount	+
Box 15	Nonqualified deferred compensation	Money amount	+

(2) Form 1099-MISC, Miscellaneous Information, will display for the following error conditions:

- The entry in Box 1, "Rents", is greater than or equal to # ████████ # or more than # ██████ # if "RECIPIENT'S" information is not present.
- The entry in Box 2, "Royalties", is greater than or equal to # ████████ # .
- The entry in Box 3, "Other income", is greater than or equal to # ████████ # .
- The entry in Box 4, "Federal income tax withheld", is greater than or equal to # ██████ # or the amount of withholding is # ████████████████ ████████████ # .
- The entry in Box 5, "Fishing boat proceeds", is greater than or equal to # ████████ # .
- The entry in Box 6, "Medical and health care payments", is greater than or equal to # ████████ # .
- The entry in Box 8, "Substitute payments in lieu of dividends or interest", is greater than or equal to # ████████ # or .
- The entry in Box 9, "Crop insurance proceeds," is greater than or equal to # ████████ # .
- The entry in Box 10, "Gross proceeds paid to an attorney", is greater than or equal to # ████████ # .
- The entry in Box 11, "Fish purchased for resale", is greater than or equal to # ████████ # .
- The entry in Box 12, "Section 409A deferrals", is greater than or equal to # ████████ # .
- The entry in Box 14, "Excess golden parachute payments", is greater than or equal to # ████████ # .
- The entry in Box 15, "Nonqualified deferred compensation," is greater than or equal to # ████████ # .

(3) **Correction Procedures**:

a. If the entries in **Boxes 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 14, or 15** are greater than or equal to # ████████ # and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

b. If the entry in **Box 1** is more than # ██████ # then the # ████████████ ████████ # . If missing, then review the SCRIPS image and verify accuracy of input.

Note: If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information. If fraudulent activity is not suspected, select "Next" to continue.

c. Review **Box 4** for withholding inconsistencies involving money fields due to fraudulent federal income tax withholding or validation errors between money fields present on the SCRIPS image. Verify accuracy of input. If withholding is # ████████████████████████████ # see Exhibit 3.12.8-9, Signs of Fraud for more information.

IRM 3.12.8.8.11 - Added a new subsection for Form 1099-NEC, Nonemployee Compensation, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-NEC	Box name	Box type	+/-
Box 1	Nonemployee compensation	Money amount	+
Box 2	Payer made direct sales totaling $5,000 or more of consumer products to recipient for resale	Checkbox	N/A
Box 4	Federal income tax withheld	Money amount	+

(2) Form 1099-NEC, Nonemployee Compensation, will display for the following error conditions:

- The entry in Box 1, "Nonemployee compensation", is greater than or equal to **#** ▮▮▮▮ **#** or more than **#** ▮▮▮ **#** if "RECIPIENT'S" information is not present.
- The entry in Box 4, "Federal income tax withheld", is greater than or equal to **#** ▮▮▮▮ **#** or the amount of withholding is **#** ▮▮▮▮▮▮▮▮ **#** .

(3) **Correction Procedures**:

a. If the entries in **Boxes 1 or 4** are greater than or equal to **#** ▮▮▮▮ **#** and they are correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.
b. Review **Box 4** for withholding inconsistencies involving money fields due to fraudulent federal income tax withholding or validation errors between money fields present on the SCRIPS image. Verify accuracy of input. If withholding is **#** ▮▮▮▮▮▮▮▮▮▮ **#** , see Exhibit 3.12.8-9, Signs of Fraud for more information.
c. If the entry in **Box 1** is more than **#** ▮▮▮ **#** then **#** ▮▮▮▮▮▮▮▮ **#** . If missing, then review the SCRIPS image and verify accuracy of input.

   Note: If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information. If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.12 - Added a new subsection for Form 1099-OID, Original Issue Discount, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-OID	Box name	Box type	+/-
Box 1	Original issue discount for the year **Note:** YYTY equals the current tax year.	Money amount	+
Box 2	Other periodic interest	Money amount	+
Box 3	Early withdrawal penalty	Money amount	+
Box 4	Federal income tax withheld	Money amount	+
Box 5	Market discount	Money amount	+
Box 6	Acquisition premium	Money amount	
Box 7	Description	Alpha and numerics - 100 characters allowed	N/A
Box 8	Original issue discount on U.S. Treasury obligations	Money amount	+/-
FATCA Checkbox	Checkbox found under the recipient entity on the left side of the document	Checkbox	N/A
Box 9	Investment expenses	Money amount	+
Box 10	Bond premium	Money amount	+
Box 11	Tax-exempt OID	Money amount	+

(2) Form 1099-OID, Original Issue Discount, will display for the following error conditions:

- The entry in Box 2, "Other periodic interest", is greater than or equal to # ███████ # .
- The entry in Box 3. "Early withdrawal penalty", is greater than or equal to # ███████ # .
- The entry in Box 4, "Federal income tax withheld", is greater than or equal to # ███████ # or Box 4 is equal to or greater than the sum of Box 1, Box 2, and Box 8 by # ███████ # .
- The entry in Box 5, "Market discount", is greater than or equal to # ███████ # .
- The entry in Box 6, "Acquisition premium", is greater than or equal to # ███████ # .
- The entry in Box 8, "Original issue discount on U.S. Treasury obligations", is less than or equal to # ██████ # .
- The entry in Box 9, "Investment expenses", is greater than or equal to # ███████ # .
- The entry in Box 10, "Bond premium", is greater than or equal to # ███████ # .
- The entry in Box 11, "Tax-exempt OID", is greater than or equal to # ███████ # .

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(3) **Correction Procedures:**

   a. If the entries in **Boxes 1, 2, 3, 4, 5, 6, 8, 9, 10, or 11** are greater than or equal to **#** ████████ **#** and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

   b. Review **Box 4** to determine if withholding is greater than the sum of Box 1, Box 2, and Box 8 by **#** ████████ **#** . Use the SCRIPS image and verify accuracy of input. If withholding is greater than **#** ████████ **#** , see Exhibit 3.12.8-9, Signs of Fraud for more information.

   c. If the entry in **Box 8** is less than or equal to **#** ██████ **#** then review the SCRIPS image and verify accuracy of input.

IRM 3.12.8.8.13 - Added a new subsection for Form 1099-PATR, Taxable Distributions Received From Cooperatives, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-PATR	Box name	Box type	+/-
Box 1	Patronage dividends	Money amount	+
Box 2	Nonpatronage distributions	Money amount	+
Box 3	Per-unit retain allocations	Money amount	+
Box 4	Federal income tax withheld	Money amount	+
Box 5	Redeemed nonqualified notices	Money amount	+
Box 6	Section 199A(g) deduction	Money amount	+
Box 7	Qualified payments (Section 199A(b)(7))	Money amount	+
Box 8	Section 199A(a) qual. items	Money amount	+
Box 9	Section 199A(a) SSTB items	Money amount	+
Box 10	Investment credit	Money amount	+
Box 11	Work opportunity credit	Money amount	+

| Box 12 | Other credits and deductions | Money amount | + |
| Box 13 | Specified Coop | Checkbox | N/A |

(2) Form 1099-PATR, Taxable Distributions Received From Cooperatives, will display for the following error conditions:

- The entry in Box 1, "Patronage dividends", is greater than or equal to # ███████ # .
- The entry in Box 2, "Nonpatronage dividends", is greater than or equal to # ███████ # .
- The entry in Box 3, "Per-unit retain allocations", is greater than or equal to # ███████ # .
- The entry in Box 4, "Federal income tax withheld", is greater than or equal to # ███████ # or Box 4 is equal to or greater than the sum of Box 1, Box 2, Box 3, and Box 5 by # ███████ # .
- The entry in Box 5, "Redeemed nonqualified notices", is greater than or equal to # ███████ # .
- The entry in Box 6, "Section 199A(g) deduction", is greater than or equal to # ███████ # .
- The entry in Box 7, "Qualified payments (Section 199A(b)(7))", is greater than or equal to # ████████ # .
- The entry in Box 8, "Section 199A(a) qual. items", is greater than or equal to # ███████ # .
- The entry in Box 9, "Section 199A(a) SSTB items", is greater than or equal to # ███████ # .
- The entry in Box 10, "Investment credit", is greater than or equal to # ███████ # .
- The entry in Box 11, "Work opportunity credit", is greater than or equal to # ███████ # .
- The entry in Box 12, "Other credits and deductions", is greater than or equal to # ███████ # .

(3) **Correction Procedures:**

a. If the entries in **Boxes 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, or 12** are greater than or equal to # ██████ # and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

b. Review **Box 4** to determine if withholding is greater than the sum of **Boxes 1, 2, 3, and 5** by # ███████ # . Use the SCRIPS image and verify accuracy of input. If accurate, see Exhibit 3.12.8-9, Signs of Fraud for more information.

IRM 3.12.8.8.14 - Added a new subsection for Form 1099-Q, Payments From Qualified Education Programs (Under Section 529 and 530), with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-Q	Box name	Box type	+/-
Box 1	Gross distribution	Money amount	+
Box 2	Earnings	Money amount	+
Box 3	Basis	Money amount	+
Box 4	Trustee-to-trustee transfer	Checkbox	N/A
Box 5	"Distribution is from:" - as the title	Checkbox	N/A
Box 6	Check if the recipient is not the designated beneficiary	Checkbox	N/A

(2) Form 1099-Q, Payments From Qualified Education Programs (Under Sections 529 and 530), will display for the following error conditions:

- The entry in Box 1, "Gross distribution", is greater or less than the sum of Box 2 and Box 3 # ▮▮▮▮ # .
- The entry in Box 2, "Earnings", is less than # ▮▮▮▮▮▮▮▮▮▮ ▮▮▮▮▮ # .
- The entry in Box 3, "Basis", is greater than or equal to # ▮▮▮▮▮ # .
- The entry in Box 5, "Distribution is from:" must equal "1".

(3) **Correction Procedures**:

a. If the entry in **Box 1** is greater or less than the sum of Box 2 and Box 3 # ▮▮ ▮ # review the SCRIPS image and verify input. If the entry is not, refer to Exhibit 3.12.8-9, Signs of Fraud.

b. If the entry in **Box 2** is not greater than # ▮▮▮▮ # , review the SCRIPS image and verify input.

c. If the entries in **Boxes 2 and 3** are greater than or equal to # ▮▮▮▮ # and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

d. Review the SCRIPS image and verify the checkbox entry in **Box 5**.
Determine if the Qualified tuition program checkbox is marked "Private", "State", or "Coverdell ESA". Enter "1" if "Private" box is checked. Enter "2" if "State" box is checked. Enter "3" if "Coverdell ESA" box is checked. Leave the box blank if no or multiple boxes are checked.

IRM 3.12.8.8.15 - Added a new subsection for Form 1099-SA, Distributions From an HSA, Archer MSA, or Medicare Advantage MSA, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-SA	Box name	Box type	+/-
Box 1	Gross distribution	Money amount	+
Box 2	Earnings on excess cont.	Money amount	+
Box 3	Distribution code	Numerics - 1 character field	N/A
Box 4	FMV on date of death	Money amount	+
Box 5	Entry for HSA, Archer MSA, or MA MSA	Checkbox	N/A

(2) Form 1099-SA, Distributions From ABLE Accounts, will display for the following error conditions:

- The entry in Box 1, "Gross distribution", is greater than or equal to **#** ████████ **#** .
- The entry in Box 2, "Earnings on excess cont.", is greater than or equal to **#** ████████ **#** .
- The entry in Box 4, "FMV on date of death", is greater than or equal to **#** ████████ **#** .

(3) **Correction Procedures**:

a. If the entries in **Boxes 1, 2, or 4** are greater than or equal to **#** ████████ **#** and they are correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.
b. Review the SCRIPS image and verify the checkbox entry in **Box 5**.
   Determine if the "HSA", "Archer MSA "or "MA MSA" box is marked. Enter "1" if the "HSA" box is checked. Enter "2" if the "Archer MSA" box is checked. Enter "3" if "MA MSA" box is checked. Leave the box blank if no or multiple boxes are checked.

IRM 3.12.8.8.16 - Added a new subsection for Form 1099-SB, Seller's Investment in Life Insurance Contract, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-SB	Box name	Box type	+/-
Box 1	Investment in contract	Money amount	+
Box 2	Surrender amount	Money amount	+
Box - Top left hand corner of form	Issuer's information - name, address, and telephone no.	Alpha and numerics - 39 character field	N/A

(2) Form 1099-SB, Seller's Investment in Life Insurance Contract, will display for the following error conditions:

- The entry in Box 1, "Investment in contract", is greater than or equal to **#** ▮▮▮▮▮▮ **#** .
- The entry in Box 2, "Surrender amount", is greater than or equal to **#** ▮▮▮▮▮▮ **#** .

(3) **Correction Procedures**:

a. If the entries in **Boxes 1 and 2** are greater than or equal to **#** ▮▮▮▮▮▮ **#** and they are correct, review the SCRIPS image for signs of fraud.
   If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
   If fraudulent activity is not suspected, select "Next" to continue.

IRM 3.12.8.8.17 - Added a new subsection for Form 1099-S, Proceeds From Real Estate Transactions, with instruction to resolve errors using the Information Returns Review Portal (IRRP).

(1) **Boxes Displayed**:

Location on Form 1099-S	Box name	Box type	+/-
Box 1	Date of closing	Date **Note:** Valid format is YYYYMMDD.	N/A
Box 2	Gross proceeds	Money amount	+
Box 3	Address or legal description	Alpha and numerics - 100 characters allowed	N/A
Box 4	Checkbox - Check here if the transferor received or will receive property or services as part of the consideration	Checkbox	N/A
Box 5	Checkbox - Check here if the transferor is a foreign person (nonresident alien, foreign partnership, foreign estate, or foreign trust)	Checkbox	N/A

Box 6	Buyer's part of real estate tax	Money amount	+

(2) Form 1099-S, Proceeds From Real Estate Transactions, will display for the following error conditions:

- The date in Box 1, "Date of closing", is not entered correctly or is invalid.
- The entry in Box 2, "Investment in contract", is greater than or equal to **#** ▮▮▮▮▮ **#** .
- The entry in Box 6, "Buyer's part of real estate tax", is greater than or equal to **#** ▮▮▮▮▮ **#** .

(3) **Correction Procedures**:

a. The valid format for the date in "Box 1" is **YYYYMMDD**, where YYYY=YYTY (processing year minus one). Review the SCRIPS image and verify the date. If the date is not entered correctly, enter the date in the valid format listed above.
If the year of the date is not entered incorrectly by the filer, change the year to equal the current tax year being processed (processing year minus one).

b. If the entries in **Boxes 2 and 6** are greater than or equal to **#** ▮▮▮▮▮ **#** and they are correct, review the SCRIPS image for signs of fraud.
If the submission appears to be fraudulent select the "Flag form for fraud" checkbox. See Exhibit 3.12.8-9, Signs of Fraud, for more information.
If fraudulent activity is not suspected, select "Next" to continue.

Exhibit 3.12.8-9 - Added a new Table to the Exhibit for use in identifying "Signs of Fraud" while processing returns on the Information Returns Review Portal (IRRP).

Follow the instruction in the Table below to identify "Signs of Fraud" while correcting errors on Paper Register:

If	Then
The entity listed on Section 16 and the entity listed on Section 01 match	Delete the data record using Action Code (AC) "2".
Error Reason Code 16 present and the Document Code equals 32, 71, 79, 92 or 96 and transcription is accurate and	Delete the data record using Action Code (AC) "2". Secure the entire submission if possible and send to: Internal Revenue Service Frivolous Return Program Mail Stop 4390 1973 Rulon White Blvd Ogden, UT 84201

federal tax withheld exceeds income	
Error Reason Code 16 present and the Document Code equals 10, 32, 71, 79, 91, 92, 95, 96, or 97 and transcription is accurate and all income fields and federal tax withheld appear marked in error and the withholding exceeds the tolerance of income reported	Delete the data record using Action Code (AC) "2". Secure the entire submission if possible and send to: Internal Revenue Service Frivolous Return Program Mail Stop 4390 1973 Rulon White Blvd Ogden, UT 84201
The federal tax withheld (normally Field "D") meets or exceeds 33 percent of stated income	Place for managerial review and clearance for continued processing. **Exception: #** ███████████████ ██████████████████ **#**
# ██████████████ ████ **#**	Delete the data record using Action Code (AC) "2". Secure the entire submission if possible and send to: Internal Revenue Service Frivolous Return Program Mail Stop 4390 1973 Rulon White Blvd Ogden, UT 84201
The entity in Section 16 is or implies an Internal Revenue Official, revenue officer or business operation	Delete the data record using Action Code (AC) "2".
# ██████████████ ████ **#**	Delete the data record using Action Code (AC) "2". Secure the entire submission if possible and send to SE:W:CAS:SP:PPB:BMF through your local Planning and Analysis (P&A) staff.
The submission appears to fraudulent for any other reason than listed above	Delete the data record using AC "2". Secure the entire submission if possible and send to: Internal Revenue Service Frivolous Return Program Mail Stop 4390 1973 Rulon White Blvd Ogden, UT 84201.

Follow the instruction in the Table below to identify "Signs of Fraud" while correcting errors on the Information Returns Review Portal (IRRP):

# ███████████████████████████████ ███████████ # ,	Then select the "Flag form for fraud" checkbox.
If all entries are correct on Form 1099-B, Form 1099-INT, Form 1099-NEC, Form 1099-OID, or Form 1099-Q and Federal income tax withheld (Box 4) exceeds income,	**Then select the "Flag form for fraud" checkbox.**
If all entries are correct on Form 1099-B, Form 1099-DIV, Form 1099-INT, Form 1099-K, Form 1099-MISC, Form 1099-NEC, Form 1099-OID, Form 1099-PATR, or Form 1099-Q and all income fields and Federal income tax withheld are in error and withholding exceeds the tolerance of income reported,	Then select the "Flag form for fraud" checkbox.
The submission appears to be fraudulent for any other reason than listed above,	Then select the "Flag form for fraud" checkbox.