

IRM PROCEDURAL UPDATE

DATE: 01/17/2024

NUMBER: wi-21-0124-0087

SUBJECT: Refund Research Updates

AFFECTED IRM(s)/SUBSECTION(s): 21.4.1

CHANGE(s):

IRM 21.4.1.4.1.1 - Removed irs.gov web address to check current operational status for Amended Returns.

(1) Review the following table to determine the required action for **paper returns**. See IRM 21.4.1.4 (3), Refund Inquiry Response Procedure, for normal processing time frames.

If maximum normal processing time is:	Then
Not met	<ul style="list-style-type: none">Advise the taxpayer of the normal processing time, and to visit Where's My Refund at IRS.gov, or the IRS2Go (English and Spanish) phone application from a smart phone, for current refund information if the refund is not received within the time frame provided. Where's My Refund can inform the individual taxpayer if the IRS received the original return, and the projected date of the refund. Automated systems are not available for business taxpayers. <p>Note: DO NOT offer the toll free Refund Hotline, 800-829-1954, as an option unless the taxpayer states they do not have a computer or internet access.</p> <p>Reminder: Where's my Refund (WMR) provides refund information for the current processing year plus two prior year returns and cannot provide any information on Form 1040-X, Amended U.S. Individual Income Tax Return.</p>
Met and the tax module indicates that a paper return was received , but was not processed	<ul style="list-style-type: none">Apologize for the delay and advise the taxpayer that we are working returns in the order they were received.Advise the taxpayer: "In most instances, no further action is needed. Whether you filed electronically or by paper, we will contact you by mail if we need more information or if we made a change to your return."

<p>or</p> <p>Met, but no record that a paper return was received</p>	<ul style="list-style-type: none"> • If the taxpayer filed on paper more than six months ago and is due a refund, and Where's My Refund? does not have any information about the status of their return, advise them to resubmit the tax return, electronically if possible. If resubmitting electronically, advise the taxpayer to ensure they receive a confirmation email from the e-file provider that the IRS accepted their return for filing. If resubmitting by paper, make sure the return includes an original signature and all documents submitted with the original return. • Provide the taxpayer with the irs.gov web address "www.irs.gov/newsroom/irs-operations-status-of-mission-critical-functions" to check the current operational status. <p>Note: If the taxpayer received a CP 80, follow guidance above. For more information regarding CP 80, see IRM 21.2.4.3.44.2, CP80/CP080 Resolution, and AMRH12 Reply Received.</p>
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(2) Review the following table to determine the required action for **electronically filed (e-filed) returns**. See IRM 21.4.1.4 (3), Refund Inquiry Response Procedure, for normal processing time frames.

If maximum normal processing time is:	Then
Not met	<ul style="list-style-type: none"> • Advise the taxpayer of the normal processing time, and to visit Where's My Refund at IRS.gov, or the IRS2Go (English and Spanish) phone application from a smart phone, for current refund information if the refund is not received within the time frame provided. Where's My Refund can inform the individual taxpayer if the IRS received the original return, and the projected date of the refund. Automated systems are not available for business taxpayers. <p>Note: DO NOT offer the toll free Refund Hotline, 800-829-1954, as an option unless the taxpayer states they do not have a computer or internet access.</p> <p>Reminder: Where's My refund cannot provide any information on Form 1040-X, Amended U.S. Individual Income Tax Return.</p>
Met and the tax module indicates that an e-filed return	<ul style="list-style-type: none"> • If the taxpayer filed electronically, advise them if they received an acknowledgement, they do

was received , but was not processed . For more information, see IRM 21.4.1.4.1.2 (2), Return Found/Not Processed.	<p>not need to take any further action other than promptly responding to any requests for information.</p> <ul style="list-style-type: none"> If no acknowledgement received, advise them to refile.
Met but no record of an e-File return	<ul style="list-style-type: none"> For original returns, see the table in IRM 21.4.1.4.1 (1), Locating the Taxpayer's Return, for SCFTR return research procedures. If no information found on CC SCFTR, advise taxpayer to refile. See IRM 21.2.1.22, Modernized e-File (MeF/TRDB), and IRM 3.42.5.14.5, Forms for 1040 Modernized e-File (MeF), for limitations on e-filed current and prior year returns.

(3) Review the following table to determine the required action for **amended returns**. See IRM 21.4.1.4 (3), Refund Inquiry Response Procedure, for normal processing time frames.

If maximum normal processing time is:	Then
Not met	<ul style="list-style-type: none"> Advise the taxpayer of the normal processing time, and to visit Where's My Amended Return at IRS.gov, or by telephone, using the toll-free number 866-464-2050 (must use a touch-tone phone). Where's My Amended Return (WMAR) can track the status of their Form 1040-X for the current year and up to three prior years. They must wait three weeks after filing the form before using WMAR. Consistent messages are provided by the phone and web versions of WMAR. Automated systems are not available for business taxpayers.
Met and the tax module indicates that a Form 1040-X was received , but was not processed (e.g., TC 971 AC 120)	<ul style="list-style-type: none"> Apologize for the delay and advise the taxpayer that we are working returns in the order they were received. Advise the taxpayer: "In most instances, no further action is needed. Whether you filed electronically or by paper, we will contact you by mail if we need more information or if we made a change to your return." If the taxpayer filed electronically, advise them if they received an acknowledgement, they do not need to take any further action other than

	promptly responding to any requests for information. If no acknowledgement received, advise them to refile.
Met, but no record that a Form 1040-X was received	If the taxpayer filed more than 36 weeks ago and is due a refund, and Where's My Amended Return does not have any information about the status of their amended return, advise them to resubmit the tax return, electronically if possible. If resubmitting by paper, make sure the amended return includes an original signature and all documents submitted with the original amended return.

For more information, see IRM 21.5.3.3.1, Locating Amended Returns (Form 1040X), and IRM 21.2.1.59 Where's My Amended Return (WMAR).

IRM 21.4.1.4.1.2 - Updated to include direction for sending Form e-4442/4442 to SP IDT.

(1) The return was received, but not processed:

Note: Business rules for unpostable (UPC) 147 reason (URC) 1/6/7/8 are obsolete as of January 2017. Instructions have been removed from the chart below.

Row	If Command Code (CC)	Research Shows	Then
1	TXMOD	UXXXX (unpostable return) in same line as TC 150 in pending transaction section. See IRM 21.4.1.4.1.2.1, Unpostable Conditions, and IRM 21.5.5, Unpostables.	Research CC UPTIN
2	TXMOD / IMFOL	TC 914, 916 or 918 or # [REDACTED]	# [REDACTED] # [REDACTED]
3	TXMOD / ENMOD	Shows TC 971 AC 052, or TC 971 AC 152 or FREEZE-INDICATOR> of 1 or 2 on FFINQ, which indicates RIVO is reviewing the return.	<ul style="list-style-type: none"> Advise the caller that the return is still in processing. If there are freeze code conditions present, these will take precedence over the TC 971 AC 052/152 If there are no freeze codes present, and the

			<p>account has: A transaction code (TC) 971, action code (AC) 052 posted, normal processing time will increase by two cycles. A TC 971, AC 152 posted, normal processing time will increase by one cycle. If both TC 971 AC 052 and TC 971 AC 152 appear on the account, use the 2 cycle delay, as the AC 052 would supersede the AC 152. If the taxpayer asks why the processing time was increased tell them the return was randomly selected for additional review.</p> <p>Reminder: Do not mention RIVO, CI, etc, unless other account conditions indicate involvement and require it.</p> <p>Note: If the processing time frames are up and the return is UPC 126 or UPC 147 or showing as stopped in ERS (return is showing on CC ERINV), then follow the instructions in the appropriate box below.</p>
4	TXMOD / ENMOD	Return was zeroed out, partially zeroed or credits reversed by RIVO (the address may have been updated to the service center address)	Initiate a Form 4442/e-4442, Inquiry Referral, to RIVO, using category "RIVO – Complex Issue not ID Theft". Advise the taxpayer to allow 9 weeks for a response.
5	TXMOD / ENMOD	TC 971 AC 111 (CC TXMOD) and TC 971 AC 501/506 (CC ENMOD) with MISC: "AM" or "AMADJ"	See IRM 25.23.12.4.1, Telephone Inquiries Regarding Identity Theft

			Victim Assistance (IDTVA) Tax-Related Cases, for guidance.
6	TXMOD / TRDBV	TC 971 AC 111 (CC TXMOD), TRDBV shows UPC 126 RC 0 and the TP filed the return on MFT 32, or the return was GUF Voided/Deleted.	See IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers.
7	TXMOD / TRDBV	TC 971 AC 111 (CC TXMOD), CC TRDBV shows UPC 126 RC 0 and the return was not moved to MFT 32 prior to the end of year cycle deadline and is archived/deleted. This appears on CC TRDBV as GUF Voided/Deleted or GUF perfected but there is no MFT 32.	See IRM 25.25.6.5.5.4, The Taxpayer's Return has been Archived/Deleted. Note: Non-TPP assistors see IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers.
8	IMFOLI / IMFOLE / IMFOLT / TRDBV	A module for MFT 32 with a TC 976 posted, regardless if there is a TC 971 AC 506 on CC IMFOLE, and CC TRDBV codes show status code ERS CORRECTED and CC TRDBV CODES screen does not have an Identity Theft indicator T .	See IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers.
9	IMFOLI / IMFOLE / IMFOLT / TRDBV	A module for MFT 32 with a TC 976 posted, regardless if there is a TC 971 AC 506 on CC IMFOLE, and CC TRDBV codes show status code ERS CORRECTED and CC TRDBV CODES screen has an Identity Theft indicator T .	<ul style="list-style-type: none"> If the contact is from the taxpayer or authorized third party, authenticate per IRM 21.1.3.2.3 (2), Required Taxpayer Authentication, and prepare Form 4442/e-4442 to the SP IDT team. Follow routing procedures in the bullet below. Select category, "Refund" then select "SPIDT" If additional action is required (i.e., injured spouse claim, 1040-X) request that the refund be held, monitor the account and take appropriate follow-up action once the return has posted to MFT 30.

		<ul style="list-style-type: none"> • Follow the guidance in IRM 3.28.4.7 (2), Review of Deleted Returns - UPC 147 RC 0 Only, for routing based on the DLN of the return. • Include authentication results in AMS. • Advise the taxpayer they should receive their refund or correspondence within 12 weeks. • If the taxpayer contacts us after the 12 weeks, follow the procedures in IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines. • If the caller cannot authenticate, provide the caller the toll-free appointment number, 844-545-5640, to schedule an appointment at one of the Taxpayer Assistance Centers (TACs), (Hours of operation: 7:00 a.m. to 7:00 p.m. local time; Hawaii and Alaska follow Pacific Time Zone). After authenticating, TAC assistors should then follow the guidance above. • For paper inquiries, follow procedures in Note below. <p>Note: If no return is posted and indicators exist for MFT 32, when working Form 3911, Form 1310, or other</p>
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			<p>correspondence, employees should close their case with Letter 109C advising the taxpayer to call IRS at 800-829-1040 the hours of operation are Monday through Friday, 7:00 a.m. to 7:00 p.m., local time, with the exception of Puerto Rico which is 8:00 a.m. to 8:00 p.m., local time. Advise the taxpayer that the return has been selected for further review and that we'll need to speak with them to validate the information that was submitted.</p> <p>Form 3911 and Form 1310 should then be destroyed as classified waste. See IRM 21.5.1.4.10, Classified Waste. For additional information on refund inquiries, see IRM 21.4.2, Refund Trace and Limited Payability and IRM 21.4.3, Returned Refunds/Releases.</p> <p>Exception: If the taxpayer is responding to Letter 12C and provides all the requested documents, send Form 4442/e-4442 as instructed above.</p>
10	TXMOD / ENMOD	RJ 150 (rejected return).	<p>Research CC ERINV. See IRM 21.4.1.4.1.2.4, Returns Located on Error Resolution System (ERS) or Rejects.</p>
11	FFINQ	Return information (after no information on CC SUMRY or CC IMFOL) and no FREEZE-INDICATOR.	<p>See IRM 21.4.1.4.1.2.4, Returns Located on Error Resolution System (ERS) or Rejects.</p>
12	TRDBV	Return information (for IRS e-File).	<p>See IRM 21.4.1.4.1.2.3, Researching Rejected IMF E-filed Returns.</p> <p>Note: If CC TRDBV response screen TRDPG displays: "Current-Status: GUF</p>

		Voided/Deleted" on the first page of the tax return or on the response screen itself, see IRM 21.4.1.4.1.2.1, Unpostable Conditions.
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Note: If taxpayer indicates the routing transit number or account number shown on their return is incorrect, advise the taxpayer IRS employees cannot change or correct these numbers from the numbers shown on their return. In some circumstances, TC 971 AC 850 may be input to flip a direct deposit refund to a paper check. See IRM 21.4.1.5.7, Direct Deposits - General Information, for additional information.

(2) Information concerning a return received but not yet processed will be on the Fact of Filing (FOF) within three weeks of return receipt. The information will remain on the FOF for three to six weeks depending on processing times. Additional information on CC "FFINQ" can be found in IRM 2.3.13, Command Codes FFINQ, REINF REMFE.

Caution: Do not use information from CC "FFINQ" to advise the taxpayer that the return has been processed and the refund issued. Advise the taxpayer that the return is still in processing and emphasize that the easiest way to keep track of the status of their refund is through our automated systems "Where's My Refund" on IRS.gov, and our free mobile application "IRS2Go" (English and Spanish) for smart phones.

(3) Input CC "FFINQ" and review the screen for the following information:

- RESEQUENCE IND — If present, indicates the return has been held for review or delayed for some reason. If this indicator is not present, use FOF-STATUS-DATE for time frame. If "1" add one week to the FOF-STATUS-DATE time frame to complete processing and refund to be issued.
- FOF-STATUS-CD –

If	Then
1	Refund should be issued in the cycle on FOF-STATUS-DATE (add one week if RESEQUENCE-IND=1) - Do not use to calculate refund time frame.
2	Return should post or go to ERS. Taxpayer should be contacted within 8 weeks of cycle date if additional processing information is required.
3	Identifies ST 2 cases that are going to be processed.
4	Identifies those returns that have entered ERS. Research CC ERINV. See IRM 21.4.1.4.1.2.5, Researching Rejected Returns with Command Code (CC) ERINV. If 8 weeks have elapsed from the FFINQ status date and there is no information on CC ERINV, check CC NAMES to see if the return was processed under a different TIN. If still not found, prepare a

	Form 4442/e-4442 to the Submission Processing ERS area using Refund - Status Code 4. Advise taxpayer they will be contacted within 30 days.
5	<p>The return has been corrected by ERS. If 8 weeks have passed since (FOF-STATUS-DATE) and no new information is on IDRS, advise the taxpayer to refile the return, attach all appropriate forms such as schedules, forms, and copies of Form W-2.</p> <p>Reminder: Research CC IMFOLQ. It displays resequenced payment transactions that attempt to post as a TC 610 (remittance with return) and there has been no account established with a resequence code of 24. Use CC SCFTR for real time research of the Service Center Control.</p> <p>Note: If CC TRDBV shows the return was e-filed and has a balance due, advise the taxpayer of the fact that the return has a balance due and advise that the balance due e-File return will settle in cycle 20 or when the balance due is paid in full, whichever occurs first. For paper returns, the account will remain unsettled until full payment is received or the return due date is reached. The taxpayer will then receive a notice of the balance due.</p>

- RTN – The routing transit number indicates an electronic funds transfer was requested, but does not necessarily mean the direct deposit will occur.

IRM 21.4.1.4.4 - Updated to remove duplicate scenario.

(1) If the taxpayer states they received the check and the check was lost, stolen, or destroyed and a TC 840/846 is present on the module, refer to IRM 21.4.2, Refund Trace and Limited Payability.

(2) If research shows a refund has been generated and the taxpayer states they did not receive the check or direct deposit, use the following "If-And-Then" table to assist in resolving the issue:

Caution: Do not initiate a refund trace over the phone if there is IDT involvement on the account. See IRM 25.23.12.4.1, Telephone Inquiries Regarding Identity Theft Victim Assistance (IDTVA)Tax-Related Cases, for additional information.

Caution: Do not initiate a refund trace over the phone if there is RIVO involvement on the module. When providing a pre-populated Form 3911, verify all information is for the correct taxpayer. See IRM 21.5.6.4.35.3, -R freeze Overview For Accounts With Return Integrity Verification Operations (RIVO) Involvement, for additional information.

Note: Many U.S. Post Offices will forward the refund check if the taxpayer has a forwarding address on file with the local post office. If this is the case, advise the

taxpayer to allow up to 6 weeks from the IDRS refund payment date for receipt of the check. If the check is not received by the end of those 6 weeks, follow normal refund trace procedures.

Row	If taxpayer states they did not receive a refund	And the date is	Then
1	TC 846 is present on the module and a paper check was issued	Less than four weeks (or nine weeks if it's a foreign address) from the mailing date. For current and all prior year IMF returns, the issue/ mailing date is found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>". For Business Master File (BMF), the issue/ mailing date is one day after the TC 846 date.	Advise the taxpayer that the best way to get the most current information about their refund is through the automated systems, Where's My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. You may advise the taxpayer to call back when four weeks (nine weeks if it's a foreign address) from the issue/ mailing date have passed if a trace cannot be started on one of the self service platforms. For BMF accounts advise the taxpayer to call back if four weeks (nine weeks if it's a foreign address) from the issue/ mailing date have passed if check was not received.
2	TC 846 is present on an IMF module and a paper check was issued	Four or more weeks (or nine or more weeks if it's a foreign address) since the issue/ mailing date. For current and all prior year IMF returns, the issue/ mailing date is found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".	See IRM 21.4.2, Refund Trace and Limited Payability.
3	TC 846 is present on a BMF module and a	Four or more weeks (or nine or more weeks if it's a foreign address) since the	Advise the taxpayer to file Form 3911, Taxpayer Statement Regarding

	paper check was issued	issue/ mailing date. For Business Master File (BMF), the issue/ mailing date is one day after the TC 846 date.	Refund. See IRM 21.4.2.4.1, Form 3911, Taxpayer Statement Regarding Refund.
4	TC 846 is present on the module and the refund is a DD	<p>The caller states they have been told by their bank that their refund was returned to the IRS. The caller may use terms such as, the bank returned the refund as a bank lead (External lead) OR I have a lead number (XXXXXX XX) OR the bank received an indemnification letter from IRS or the funds were requested/returned.</p> <p>Note: Due to timing, the account may not reflect the external lead process is in progress. Do NOT refer the taxpayer back to the financial institution unless the External Lead IRM instructs you to do so.</p>	<ul style="list-style-type: none"> Follow the IF and THEN chart in IRM 25.25.8.7, Responding to Taxpayer Inquiries, or If the conditions in IRM 25.25.8.7, do not exist, follow IRM 21.4.1.5.7.1, Direct Deposit of Refunds.
5	TC 846 is present on the module and the refund is a direct deposit (DD), a split refund or a Refund Advance Product (RAL/RAC)	<p>Five or more calendar days since scheduled DD date</p> <p>Note: The scheduled date of a DD is found on CC IMFOLT on the line below the TC 846 as RFND-PAY-DATE, and on CC TXMOD on the line below the TC 846 as RFND-PYMT-DT></p>	<ul style="list-style-type: none"> Verify the direct deposit bank by providing the taxpayer with the routing transit number (RTN) from CC IMFOBT. If necessary, also provide the bank name using the link in the note below this chart. Ask the taxpayer if they have contacted the financial institution. If the answer is NO, advise to do so and give the account number and type indicated on CC IMFOBT. If the

			<p>answer is YES, initiate refund trace per IRM 21.4.2, Refund Trace and Limited Payability, if appropriate.</p> <p>Caution: If the deposit is a split refund or if a Refund Advance Product (RAL/RAC), review IRM 21.4.1.5.7.1, Direct Deposit of Refunds, for additional information first.</p>
6	<p>TC 840 manual refund</p> <p>Note: If TC 840 carries a blocking series and serial number 9XXXX series with a Julian date less than 400, it is a "Dummy TC 840" and no actual check has been issued. Research for the SSN where the refund was issued.</p>	<p>10 calendar days (30 calendar days if it's a foreign address) from the "RFND-PAY-DATE" on CC IMFOLT or the "RFND-PYMT-DT" on CC TXMOD, either of which is located below the TC 840</p>	<p>Advise the taxpayer to file Form 3911, Taxpayer Statement Regarding Refund. See IRM 21.4.2.4.1, Form 3911, Taxpayer Statement Regarding Refund, for additional guidance regarding Form 3911. See exception below for taxpayers located in a disaster area.</p>
7	<p>TC 740 Undelivered Refund</p>		<p>See IRM 21.4.3, Returned Refunds/Releases, for resolving undelivered refunds.</p>
8	<p>TC 841 Returned/Stopped Refund</p>		<ol style="list-style-type: none"> 1. Determine cause of the refund stop 2. Attempt to resolve issue 3. See IRM 21.5.6, Freeze Codes, for resolving freeze releases. <p>Note: Refer to Exhibit 21.4.2-3, Reason for Cancellation Codes</p>

			and Generated Account Information, to determine the cause of refund cancellation.
9	TC 898/899 TOP Offset		See IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset.
10	TC 960 is posted and a refund has been issued		<ul style="list-style-type: none"> • Research CC CFINK for receipt code "R" and advise the taxpayer to check with the POA of record for receipt of the refund check. • If the taxpayer has already asked the POA, follow the appropriate guidance above.

Note: If during the conversation it is determined the taxpayer did not request a direct deposit, refer to IRM 21.4.1.5.9.5, Taxpayer Expecting a Paper Check But Refund Issued as Direct Deposit.

Note: If the taxpayer alleges preparer misconduct as the reason for non-receipt of the refund, see IRM 25.24.1.3, Identifying Potential RPM Issues For Telephone Assistors/Taxpayer Assistance Center (TAC) Assistors. In some situations, you may need to advise the taxpayer that the restoration of the refund to the taxpayer may become a civil matter between the taxpayer and the preparer.

Note: When sending a Form 3911 to the taxpayer, enclose a return envelope with your affiliated Refund Inquiry Unit's address. Input the following history item on CC TXMODA:

Example: H,39112TP

Exception: If the taxpayer is located in a Presidentially-Declared Disaster area and the check is issued between 10 days before the disaster and 30 days after the disaster, a Form 3911 is not required. Oral authority should be taken from all taxpayers including those who filed a joint return.

Note: To find the financial institutions for specific routing numbers, use the link at Financial Institution Routing Numbers. If the number isn't found, advise the taxpayer to contact their return preparer.

(3) If refund trace action is required, follow procedures in IRM 21.4.2, Refund Trace and Limited Payability.

(4) If the issue involves a change of address, see IRM 21.4.1.4.2, Return/Refund Located, and IRM 21.4.3.5.3, Undeliverable Refund Checks, for additional information.