DATE: 10/07/2022

NUMBER: wi-21-1022-1010

SUBJECT: Refund Trace and Limited Payability

AFFECTED IRM(s)/SUBSECTION(s): 21.4.2

CHANGE(s):

IRM 21.4.2.4 Added that refund traces should be worked at the Accounts Management directorate where it was received and refund check traces have a 6 week processing timeframe. Change made for IRM clarification.

(1) The procedures for processing a refund trace request are the same for telephone, Taxpayer Assistance Centers, or written inquiries.

　　a. Refund trace cases should be worked at the Accounts Management (AM) Directorate where they are received. TAC and remote sites should refer cases to their affiliated Refund Inquiry team.

　　　　Exception: Refund Inquiry must work refund traces involving a refund over a year old and cases meeting condition in (2) below, as well as cases received at TAC and remote sites.

　　b. If the refund is less than one year old, input of the CC CHKCL is required to begin the refund trace. See Exhibit 21.4.2-1, Command Code (CC) CHKCL Input.

　　c. As of October 2004, Limited Payability refunds over one year old no longer need to be worked by the issuing center. Follow the procedures in IRM 21.4.2.4.1(1), Form 3911, Taxpayer Statement Regarding Refund. Refunds over one year old must be processed by a Refund Inquiry Unit, because they **do not meet oral statement criteria**. Advise the taxpayer they may obtain a copy of the Form 3911, Taxpayer Statement Regarding Refund, at www.irs.gov under Forms and Instructions or you can mail the form with a return envelope. **DO NOT** input **CC CHKCL**. Advise the taxpayer they can either mail or fax their request. Provide the fax number and address of your affiliated Refund Inquiry function. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab. Refund Inquiry employees see IRM 21.4.2.4.7, Limited Payability (LP) Rules.

(2) Refunds involving accounts with an incorrect taxpayer shown on CC ENMOD **must be worked** at the campus that issued the refund check. Send

completed Form 3911 with the taxpayer's signature or a Form 4442/e-4442, Inquiry Referral (those based on oral statement) to the appropriate campus. Notify the taxpayer and provide the campus information where the Form 3911 is being worked and that the campus will contact them within 30 days with the disposition of their Form 3911.

Note: When the case must be sent to the center which originated the refund, **DO NOT** request the original return. The center receiving the case must request the return. You **may** notify the center you are sending the case so they can immediately request the original return thereby reducing the time the taxpayer must wait for a response.

(3) All taxpayer inquiries concerning direct deposits should be treated as any other inquiry, **except refunds issued through a Refund Advance Product (RAL/RAC). Refer to IRM 21.4.1.5.7.1 (7), Direct Deposit of Refunds, for referral information if the refund is in the form of a Refund Advance Product (RAL/RAC)**. The input of the CC CHKCL will cause the generation of a FS Form 150.1 to the financial institution. This serves as an official request to the bank to search for the electronic funds transfer. See IRM 21.4.1.5.7, Direct Deposits - General Information, for more information on how to identify RAL/RAC's and IRM 21.4.1-2, Most Common Banks That Offer Refund Transfer Products (RAL/RAC).

Note: If the module already has a TC 971 AC 011 posted and no indication of the previous disposition, **do not** input CC CHKCL to initiate a second trace of the refund. Refer the case to your Refund Inquiry Unit for TCIS research to determine if the bank has provided a response to FS Form 150.1. If no electronic copy of the FS Form 150.1 is located on TCIS, Refund Inquiry will initiate another refund trace after **90** days have passed.

Note: Direct deposit refund trace requests, have a **90-120** day processing time frame. If your case requires expedite handling (i.e., TAS hardship case or Congressional E-Trak case), elevate the trace request to the site's designated Refund Inquiry POC for BFS expedite referrals.

(4) CC CHKCL can be used to begin refund trace action if the taxpayer meets oral statement criteria and any one of the following conditions occur.

- Research shows the refund was issued and taxpayer states the refund was received but lost, stolen or destroyed.
- Research shows the refund check was issued **four weeks** ago (**nine weeks** for a foreign address) and taxpayer has not received their refund.

> **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 2 additional weeks from the IDRS refund payment date for receipt of the check. If the check is not received by the end of those 2 weeks, follow normal refund trace procedures.

- Research indicates the taxpayer's direct deposit refund was issued at least **5 calendar days** ago, the taxpayer has not received their refund and the financial institution has no record of the deposit.

    Reminder: The above criteria also applies to accounts on Customer Account Data Engine (CADE) and CADE 2 processing after January 1, 2012.

    Exception: Do not initiate a trace for Economic Impact Payment pre-paid debit cards. See IRM 21.6.3.4.2.13.2, Economic Impact Payments - Refund Inquiries, for more information regarding non-receipt, lost, stolen or destroyed Economic Impact Payment pre-paid debit cards.

(5) For IMF only taxpayers, you may accept oral statement if they meet **all** the following conditions:

- Refund issue date (TC 846 date) is within 12 months of the current date.
- Caller is the taxpayer or the taxpayer's authorized representative.
- Tax return filed is an Individual tax return.
- All filing statuses including **Married Filing Joint** (MFJ).

    Note: For MFJ taxpayers, the caller must verify that **neither** spouse cashed the refund check, and this verification must be notated as a history item on AMS.

- Direct deposit issued at least **5 calendar days** prior to inquiry and the taxpayer has already contacted the financial institution to check on the status of the refund; or issuance of the refund check was at least **four weeks** prior to inquiry (nine weeks if it's a foreign address); or the taxpayer states the check was received and then lost, stolen or destroyed, then no time frame would be involved.
- **The account does not have unresolved RIVO/IDT involvement, including, but not limited to, the bank leads program.** See IRM 25.25.8.7, Responding to Taxpayer Inquiries, for additional information.
- Taxpayers with valid TIN.
- Taxpayer's module does not contain a TC 841 or TC 740 on the module for this specific refund.
- Taxpayer resides at the address currently on record (CC ENMOD). If taxpayer resides at a different address DO NOT change the address unless the taxpayer meets oral statement criteria for changing the address. See IRM 3.13.5.29, Oral Statement/Telephone Contact Address Change Requirements, for guidance. If you **can** update the address per oral statement, input CC CHKCL using the new address to begin the refund trace. If you **cannot** update the address per oral statement, DO NOT input CC CHKCL. Advise taxpayer they can obtain a copy of Form 3911 at www.irs.gov under Forms and Instructions or you can mail the form. Advise taxpayer to complete, sign and return in the envelope provided or they may

fax their request. Provide the address and fax number of your affiliated Refund Inquiry function. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab. Use of the IAT Missing Refund (CHKCL) tool is mandatory when sending the Form 3911 to the taxpayer. If Married Filing Joint, advise taxpayer both spouses must sign. Send taxpayer a return envelope with the address of your affiliated Refund Inquiry function.

Note: A written statement can be accepted for CC CHKCL input provided all oral statement criteria are met and the correspondence is signed by the taxpayer or their authorized representative.

Reminder: Form 3911 can be used as written documentation to change a taxpayer's address. Upon receipt of Form 3911, update the address and input CC CHKCL. However, if the refund check was returned undelivered by the Postal Service, do not input CC CHKCL. See IRM 21.4.3.5.3, Undeliverable Refund Checks.

Note: Refer to IRM 21.1.3, Operational Guidelines Overview, for the appropriate disclosure authorization procedures.

Caution: Additional taxpayer authentication is required on modules where a CP 53 series notice was issued (e.g., CP 53, 53A, 53B, 53C, or 53D) for the tax period in question. If the taxpayer is calling and the CP 53 issue has been resolved and the inquiry is unrelated, additional authentication is not required. Follow the procedures in IRM 21.1.3.2.4, Additional Taxpayer Authentication, and refer to IRM 25.25.12.8, Limited Direct Deposit Refund Procedures. See IRM 21.4.1.5.8.1, Direct Deposit Reject Reason Codes, for additional CP 53 notice series information. If the caller cannot authenticate and this is a TPP call, 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). For non TPP calls, taxpayers may check their records and call back.

(6) If oral statement criteria are met, see Exhibit 21.4.2-1, Command Code (CC) CHKCL Input.

Note: Refund check trace requests have a **6 week** processing time frame.

IRM 21.4.2.4.1 Added 120 day timeframe for direct deposit traces. Provided list of lines needed for Form 3911 to be complete. Changes made for IRM consistency and clarity.

(1) If the contact does not meet oral statement criteria:

    a. If the refund time frame prescribed in IRM 21.4.1.4.4, Refund Issued But Lost, Stolen, Destroyed or Not Received, has been met, advise the taxpayer

that Form 3911, Taxpayer Statement Regarding Refund is available through the internet on www.irs.gov. See IRM 21.3.6.4.2, Other Methods of Obtaining Forms and Publications. If the taxpayer cannot obtain the form online, advise the taxpayer you can mail them a form. Use of the IAT Missing Refund (CHKCL) tool is mandatory when sending the Form 3911 to the taxpayer. Be sure to verify the taxpayer's mailing address. If taxpayer has moved since filing their return and their current address is not on record (CC ENMOD), advise the taxpayer the form is available on www.irs.gov. DO NOT UPDATE ADDRESS ON CC ENMOD unless the taxpayer meets oral statement criteria. See IRM 3.13.5.29, Oral Statement/Telephone Contact Address Change Requirements.

> **Caution:** Do not initiate a refund trace over the phone if there is IDT involvement on the account. When providing a pre-populated Form 3911, verify all information is for the correct taxpayer. See IRM 25.23.12.4.1, Telephone Inquiries Regarding Identity Theft Victim Assistance (IDTVA)Tax-Related Cases, for additional information.

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> **Note:** Regardless of RIVO involvement, do not reassign a Form 3911 unless the specific criteria mentioned above is met. If the case meets RIVO criteria, follow the appropriate procedures based on case status.

b. For paper inquiries, mail the taxpayer a Form 3911 and advise them of online trace options, if applicable. See IRM 21.4.2.4.16, Automated Refund Trace Applications Integrated Customer Communications Environment (ICCE) Refund Trace, Internet Refund Trace (IRTRC), and Internet Refund Fact of Filing (IRFOF).

c. Advise taxpayers they must sign the Form 3911. If joint return, both taxpayers must sign. If surviving spouse, advise the taxpayer to add "Surviving Spouse" on the decedent's signature line. See IRM 21.6.6.2.20.2 (1), Processing Decedent Account Refunds, for Form 1310 requirements.

d. For phone or paper inquiries, advise taxpayer they can either mail or fax their request. Provide the address and fax number of your servicing Refund Inquiry function. Advise the taxpayer they will be contacted within 6 weeks for a paper refund check, or 120 days for a direct deposit refund from the date the Form 3911 is received. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab.

e. Using the Integrated Automation Technologies (IAT) Missing Refund (CHKCL) tool or Account Management Services (AMS), input the following history item on the account - "H,39112TP".

f. If forwarding the Form 3911 to another Service Center with an open Refund Inquiry Unit control, create a history item stating "39112XX" (XX=SC), using command code (CC) ACTON.

(2) **Refund Inquiry Employees:** If the taxpayer returns the Form 3911, review the form for completeness. If Form 3911 is incomplete, correspond for the missing information. If a joint return, both taxpayers must sign. Update CC ENMOD if an address change is required.
Non-Refund Inquiry Employees: If a Form 3911 is scanned into CIS, review the form for completeness. Form 3911 should have lines 1,2,3, and 7, as well as appropriate signatures, to be considered complete. If Form 3911 is incomplete, correspond for the missing information. If a joint return, both taxpayers must sign. Update CC ENMOD if an address change is required. If refund is **less than** one year old, follow procedures in IRM 21.4.2.4.2, Input Command Code (CC) CHKCL, to input CC CHKCL. If refund is **more than** one year old, **or** taxpayer is requesting a refund trace for a combination of both, send the Form 3911 to your local refund inquiry department for trace to be completed.

(3) If a Form 3911 mailed to the taxpayer is returned by the United States Postal Service as undeliverable, the Refund Inquiry function will research for a new or corrected address or a phone number to contact the taxpayer. If a corrected address is found, re-mail the Form 3911. If no new address is located, destroy the Form 3911.

IRM 21.4.2.4.4(1) Added procedures for subsequent inquiries on direct deposit refund traces. Changes made for IRM clarity.

(1) The taxpayer may subsequently inquire after initiation of a refund trace on their missing refund check or non-receipt of a direct deposit refund. Determine if the taxpayer expected to receive their refund as a paper check or direct deposit. Use the following table in your attempt to resolve the taxpayer's issues.

If	And	Then
Taxpayer calls to check the status of their refund trace	The refund was issued as a paper check	1. Research IDRS to determine the disposition code of the claim. Follow the procedures for the appropriate disposition code. See Exhibit 21.4.2-5, Disposition and Status Codes — Additional Action Time Frames for more information. 2. If there is no disposition code or you cannot resolve the taxpayer's inquiry, you may need to refer (FAX) the case to the Refund Inquiry Unit which either now controls a case, or to your affiliated RI unit if there is no

If	And	Then
		current control base. Advise the taxpayer to expect a response within **30 days**.
Taxpayer calls to check the status of a direct deposit refund trace	Less than 90 days from the Activity Code "**3911TORDCC**"	Advise the taxpayer banks are allowed up to **90 days** to respond to our request for information, from the date of the CC CHKCL input. **Note:** While banks may have 90 days to respond, it may take up to 120 days for resolution.
Taxpayer calls to check the status of a direct deposit refund trace	90 days or more from the Activity Code"**3911TORDCC**"	1. Research IDRS to determine the disposition code of the claim. Follow the procedures for the appropriate disposition code. See Exhibit 21.4.2-5, Dispositon and Status Codes — Additional Action Time Frames for more information. 2. If there is no disposition code or you cannot resolve the taxpayer's inquiry, you may need to refer (FAX) the case to the Refund Inquiry Unit which either now controls a case, or to your affiliated RI unit if there is no current control base. Advise the taxpayer to expect a response within **30 days**.
Taxpayer finds his/her refund after Form 3911, Taxpayer Statement Regarding Refund, was sent, or a refund trace was initiated per oral statement authority		1. Determine if the CC CHKCL action can be interrupted. See Note below for CHKCL TERUP time frame. **Note:** A refund trace cannot be interrupted if the campus deadline to "DQ" the trace has passed. Per IRM 2.4.23.2 (5), General Overview for Command Code CHKCL/CHKCLR, CC TERUPC can only be done on the same day of input. If it is too late to cancel the trace and the trace was valid, advise the taxpayer to wait for a replacement check and return the original when the

If	And	Then
		replacement is received. If the original check is found and cashed, advise the taxpayer to return the replacement check. 2. If the CC CHKCL was input today and the TERUP can be completed (this action requires same day contact with the site that completed the input of CC CHKCL), advise the taxpayer the refund trace can be cancelled, and the check can be cashed.
Taxpayer received Form FS 1133	Check was cashed by someone other than the taxpayer	**Advise** the taxpayer to complete the claim form (Form FS 1133) and return it to BFS to pursue the claim.
Taxpayer received Form FS 1133	Does not wish to pursue the claim	**Advise** the taxpayer no further action is required. Taxpayer may keep the copy of the check for personal records.
Taxpayer finds the original check	Also received a replacement check	**Advise** the taxpayer to return the original as soon as possible. See IRM 21.4.3.5.4, Returned Refund Check Procedures, for information. Input a History Item on CC TXMOD saying "CHKFOUND".

Note: If you are unable to determine where an employee is located, refer to the IUUD:IDRS UNIT & USR DATABASE and Discovery Directory. When faxing Form 4442/e-4442, you must use the fax number provided in the IRM if one is available. If a fax number is not available, refer to the fax number for the appropriate function shown on the Form 4442 Referral Fax Numbers on the SERP Who/Where page. For additional information regarding preparing Form 4442/e-4442 and sending to the responsible Refund Inquiry function, see IRM 21.3.5.4.3, How to Transmit/Route Referrals to Another Office/Function.

IRM 21.4.2.4.7(5) Added procedures for limited payability claims when the check is available on TCIS. Change made for IRM clarity.

(5) LP claims received after the 15th day of the 14th month, Non-Receipt code P or C **must** be used. BFS will only provide a photocopy of the check. Before inputting CC CHKCL to request a photocopy on an LP check, research the TCIS system. If check is available on the TCIS system, provide the taxpayer with a copy and close your case. Input a TC 971 AC 011 on CC TXMOD using the date you secure the check. You must also include the money amount of the check in the FREEZE-

RELEASE-AMT field. If not available on the TCIS system, input CC CHKCL. All LP claims must be processed by IRS.

IRM 21.4.2.4.11 Added procedures to notify TIGTA if an altered check is discovered. Changes made for IRM consistency.

(1) The following directions are for processing claims from taxpayers disputing cashed refund checks that are now Limited Payability (LP). If a copy of the check is needed, use TCIS. When securing a check copy using TCIS, input a TC 971 AC 011 on CC TXMOD using the date you secure the check. You must also include the money amount of the check in the FREEZE-RELEASE-AMT field.

(2) If the check meets Limited Payability criteria and the taxpayer claims the check involves forgery, and you are **unable** to make a determination:

   a. Send Form 13818, Limited Payability Claim Against the United States for the Proceeds of an Internal Revenue Refund Check, with a copy of the refund check secured from TCIS, and a return envelope for your Refund Inquiry function. Also attach a copy of Form 13818 and the copy of the check to your case file.
   b. Notate "F13818TOTP" in the activity field.
   c. Close case with TC 290 .00 using case file as a source document.

(3) When the taxpayer returns the completed and signed Form 13818, the Refund Inquiry tax examiner must:

   a. Review the claim form for all required information and signatures.
   b. Compare endorsement(s) on the check to available samples of taxpayer signatures. If the check was electronically deposited via a mobile device or other electronic method, the check may not contain a signature. Contact BFS for information on deposit method.
   c. Review the taxpayer's answers to questions on the Form 13818.
   d. Determine if the IRS erred in sending the refund check to the incorrect address. Do not deny the claim based solely on the address. The check could have been intercepted prior to the taxpayer taking possession. Conduct signature research as indicated in the paragraphs below.
   e. Based on the review of information, continue processing or deny the claim.

(4) If the IRS did not send the check to the correct address, follow the chart below.

If	Then
It appears the taxpayer benefited from the check proceeds	1. Deny the claim. 2. Send Letter 2218C, Refund Inquiry; Check Claim Disallowed, Check Endorsed/Paid, with appropriate paragraphs.

If	Then
It appears the check was cashed with taxpayer's permission	1. Deny the claim. 2. Send Letter 2218C.
Check is stamped with a business endorsement different from name on CC ENMOD and no connection to the taxpayer can be found	Allow the claim.
There is no endorsement other than the bank's endorsement on the check. (No signature appears on the check)	The claim should be denied. Banks do not normally accept government checks without an endorsement unless the check is being deposited to the taxpayer's account.
There is indication the taxpayer is making a fraudulent claim	1. Deny the claim. 2. Send Letter 2218C, with an explanation to the taxpayer.

No check copy or endorsement is available for handwriting analysis	1. Review taxpayer's account for any prior or subsequent year claims (TC 971 AC 011).
	2. Request any documentation such as:
	   ○ Bank Statements
	   ○ Police Reports
	   ○ Taxpayer Letters
	   ○ Anything the taxpayer has that convinces him/her the check was not received, or information you feel may be helpful.

Note: The above guidelines are for the most common occurrences. If you have a case that is not covered in the table above, consult with your manager, senior, or lead tax examiner.

(5) After all information is considered:

If	And	Then
Claim is valid		Continue to process, see IRM 21.4.2.4.14, Account 6565 Processing for Refund Inquiry Function.
Additional processing is required	Examiner cannot make decision to settle	Prepare claim to send to National Forensics Laboratory (NFL). See paragraph (7) and (8) below.
Denying the claim		a. Send Letter 2218C, and attach a copy to your case file. b. If a copy of the check was needed to work the case, attach a copy to the case file.

If	And	Then
		c. Close case with TC 290 .00 using case file as a source document.

(6) If you believe the taxpayer's claim is valid or no specific reason to deny claim can be found, allow the claim following the procedures in IRM 21.4.2.4.14, Account 6565 Processing for Refund Inquiry Function.

(7) If an altered limited payability check is identified during your research, take the following actions:

- Refer the PDF copy of the check to the TIGTA Complaints Management Team (CMT) at OI.AdditionalReports@tigta.treas.gov with a copy to the IRS CI mailbox at SDCLeads@ci.irs.gov . Since these mailboxes are not secure, password protect the document. TIGTA CMT will respond with a reference number for your case file.

    Note: A TIGTA Special Agent will contact the financial institution to retrieve the altered check if they are in possession of it.

- Include the following when sending the PDF document:
  b. Image of the front and back of the altered check(s).
  c. A screenshot image of the check issued as shown on TCIS.
  d. Information for the bank where the check was cashed.
- Follow the procedures in IRM 21.4.2.4.14, Account 6565 Processing for Refund Inquiry Function.

(8) Send the case to the National Forensics Laboratory (NFL) for signature comparison **only** if you cannot determine if the endorsement on the U. S. Treasury check is a forgery. It may be necessary to request NFL assistance in the following instances:

- The endorsement is **written**, while the samples are printed. Obtain written samples from the taxpayer before forwarding to NFL.
- The endorsement is **printed**, while the samples are written. Obtain printed samples from the taxpayer before forwarding to NFL.
- A stylized signature appears on the check and legible writing is used on Form 13818 or Form 3911, Taxpayer Statement Regarding Refund.
- Legible writing is used for the endorsement and stylized signatures are used on the Form 13818 or Form 3911.

(9) When sending the case to NFL, review the check copy to make sure the check number, symbol number, payee name and amount are correct. Send the case via email to ciopsfecu@ci.irs.gov with the following information:

- Form 13437, IRS National Forensic Laboratory, Request for Services (Rev. 03/2017), must be completed and submitted. Follow the instructions on the form, pages 2 and 3, for the handling and delivery of the complete case.
- Photocopy of check (front and back), completed Form 13818, and any taxpayer correspondence.
- Photocopy of three tax returns, if available.

(10) Requests for lab assistance are usually completed in less than 60 days. If you have not received a response and it is more than 60 days, you may contact **#** ███████ **#**. Tell them you are calling to follow up on a Limited Payability Trace. Provide the taxpayer's last name and Taxpayer Identification Number.

Note: The phone number above is for internal IRS use only. This number is not staffed for public contact. Any taxpayer calls received are directed to a toll-free number for assistance.

(11) When the response is received from the NFL, the entire case file will be returned with a cover sheet entitled "Report of Laboratory Examination, IRS Claim Resolution (LP Trace)."

If NFL response indicates	Then
the payee endorsed the check	Deny the claim, send Letter 2218C.
the payee did not endorse the check	Allow the claim, if it otherwise appears valid.
additional signature samples are required	1. Correspond with taxpayer using Letter 2219C, Refund Inquiry; Check Claim Received, Interim, Handwriting Sample Requested, using an open paragraph. 2. Request copies of ten (10) documents signed within one year of date of refund check, if available, **or** 3. Request taxpayer to sign his name ten times on the back of the "C" letter. 4. When signatures are received, return case to "NFL" with "NFL" cover sheet on front or make the forgery determination if possible.
a better copy of the check is needed	1. Research TCIS for a better photocopy of check. 2. If a better copy is located, return case to "NFL" with "NFL" cover sheet on front. 3. If a better copy is not located, elevate the case to your manager to request better check copy from BFS. Follow (2) above when better copy is received. If better copy is not provided, do not return to "NFL".

(12) If claim on a Limited Payability trace is denied for any reason, send Letter 2218C. Keep a copy of the letter and a copy of the check with your case. Close case TC 290 .00 and file document.

(13) If taxpayer disputes denial, reopen case and reconsider decision based on the information provided by the taxpayer.

IRM 21.4.2.4.13 Added Settlement Not Authorized as a CDN explanation. Added BFS contact information if there is uncertainty in the information request received on the CDN. Changes made for IRM clarity.

(1) Once it is determined a refund check has been cashed and BFS decides whether to honor the payee's check claim, the disposition information is sent to the Refund Inquiry function on an BFS CDN. As of March 30, 1998, BFS issues replacement settlement checks directly to the taxpayer on refunds determined to be forged or when appropriate, issues denial letters.

(2) Using the Payee Identification (TIN) or check information on the CDN, research CC SUMRY, CC IMFOLT, or CC IMFOLC to locate the refund in question. If using IMFOLC the correct tax module will appear.

Note: If there is a control open to Accounting function or the CDN is for a refund with a Payment Over Cancellation (POC) condition (for example, a replacement refund check is issued and both the replacement and the original check are redeemed), route the CDN to the open control or as appropriate to the Accounting team that works POC cases.

(3) If "Settlement Denied" or "Forgery Established" is noted on the CDN, input CC MFREQ(C) if the module is not up on IDRS.

(4) If the explanation says, "Forgery Established", use CC REQ77 to input TC 971 AC 078 on CC TXMOD. Input the date of the CDN as the transaction date. Input TC 290, with blocking series 05. Use the CDN as your source document.

(5) BFS may send more than one CDN on the same refund claim. The first CDN is to advise IRS they are settling with the taxpayer and another CDN with the settlement check information. If there is a previous TC 971 AC 078 on the module, associate the CDN with the previous one in the file or destroy it. Do not input more than one TC 971 AC 078 for the same refund.

Note: If the CDN indicates "Settlement check number ....." or the CDN has settlement check information PRIOR to "forgery established", input a TC 971 AC 078.

(6) If the CDN indicates the "agency will be credited" or similar wording, monitor for the posting of the credit and take appropriate action. If forgery is determined, BFS

will pay the taxpayer out of the Check Forgery Insurance Fund (CFIF). See IRM 21.4.2.4.15.3, Secret Service and Check Forgery Insurance Fund (CFIF).

Note: IRS cannot provide the taxpayer any information about the status of the BFS settlement checks and cannot trace them.

(7) If the explanation says, "Settlement Denied", **Settlement Not Authorized**, or "Settlement Not Recommended and Case is Closed", BFS has disallowed the claim and advised the taxpayer. Input a TC 971 AC 079 and file the CDN with TC 290 as instructed in (4) above. Do not input more than one TC 971 AC 079 for the same refund.

a. If there is a previous TC 971 AC 078 for the same refund, BFS has done further investigation and has disallowed the claim after previously allowing it. Input TC 971 AC 079 and associate with the previous CDN.
b. If claimant never lived at the check address (Form FS 1133 question 9 is "No"), research the return. If the check address was incorrect due to IRS error, research for another taxpayer with the same name at the address shown on the check. If found, process as erroneous refund. If not found, send the case back to BFS with a note: "Please Adjudicate IRS error". The BFS adjudication process could extend the time frame for final resolution by 2 - 6 months. Advise the taxpayer they will be contacted by BFS if additional information is required. If the address on the check is the same as that on the return, send the form back to the taxpayer with Letter 206C, Refund Inquiry; Copy of Check Requested/Check Being Traced (Form FS 1133), using appropriate paragraphs. If the case is a mixed entity, further research may be required to determine if the claimant is entitled to the check. Correct the account if necessary.
c. If "Settlement not recommended pending refund from bank, incomplete Form FS 1133 Claim Form, or further investigation" or similar wording, file the CDN. Input TC 290 with blocking series 05.

> **Caution:** If BFS advises IRS a settlement check has been issued to the taxpayer, do not issue a manual refund. This action will cause an erroneous refund. Anyone causing an erroneous refund must document the action and the employee must refer to IRM 21.4.5, Erroneous Refunds, and follow applicable actions.

(8) The CDN may have an unusual response and include copies of the Form FS 1133, check copies, or other forms. If it is not clear what BFS wants, contact BFS Customer Engagement Center at pfc.customerengagementcenter@fiscal.treasury.gov or via phone at 855-868-015 and ask what action they intended for the taxpayer or IRS.

Reminder: If after Disposition 11 is received and the taxpayer contacts IRS, they should be referred to BFS whether a CDN has been received or not. See IRM 21.4.2.4.4.1, Subsequent Inquiries, With Status Codes, Without Prior Forgery Determination (CSR's and Refund Inquiry Unit), for the BFS address and phone

number. Do not interfere with BFS claim process.

(9) If the CDN notes that "The payee has released their claim", close the control base with activity "TPRECCK".

(10) See IRM 21.4.2.4.15.3.3, Check Forgery Insurance Fund (CFIF) Impact on the Agencies, for additional information regarding CDNs related to forgery claims.

(11) Any CDN that is informational only should be destroyed as classified waste without taking a case count. The following list of examples is not all inclusive.

Example: Alleged forgery being investigated. More information to follow.
Settlement is not recommended at this time. A request has been made to the payee for additional examples of his/her signature.
Appeal received. Further review is necessary to determine what action should be taken.
Settlement is not recommended at this time, pending further review by the United States Secret Service.

Exhibit 21.4.2-1(1) Clarified that for CC CHKCL, refund date must be less than a year old regardless if a paper check or direct deposit. Added 120 day timeframe for direct deposit. Changes made for IRM clarification.

(1) Accounts Management employees are required to use the Missing Refund (CHKCL) IAT tool, see IRM 21.2.2-2, Accounts Management Mandated IAT Tools. See IAT CHKCL Tool Job Aid for IAT input guidance and CC CHKCL for field descriptions.

(2) Assistors are authorized to input CC CHKCL based on an oral statement authority (OSA) from the taxpayer if **all** the following conditions are met:

    a. Check was scheduled for mail out **four weeks** prior to taxpayer's contact (**nine weeks** for a foreign address) or their direct deposit was issued at least five calendar days prior to contact. Use the table below to determine the check mail out date or the direct deposit date. Input immediately if taxpayer states the check was received but lost, stolen or destroyed.

Refund issued as	Determine date issued
IMF paper check	For current year 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>".
IMF direct deposit	For all current and prior year IMF returns, the deposit date is found on CC IMFOLT on the line below the TC

Refund issued as	Determine date issued
	846 as "RFND-PAY-DATE", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".
Accelerated Cycle as a check prior to January 1, 2012	See dates in Item (11) listed below.

b. **TC 846 refund date must be 12 months or less from current date.**
c. Valid TIN.

> **Note:** If the return has been resequenced, CC CHKCL must be entered on the original TIN the refund was issued on.

d. Tax return filed can be an individual or business tax return.
e. Taxpayer resides at the address currently on record (CC ENMOD). If taxpayer resides at a different address, DO NOT change the address unless the taxpayer meets oral statement criteria for an address change. See IRM 3.13.5.29, Oral Statement/Telephone Contact Address Change Requirements, for guidance. If you **can** update the address per oral statement, input CC CHKCL using the new address to begin the refund trace. If the taxpayer does not meet oral statement criteria, DO NOT input CC CHKCL. Advise the taxpayer you are mailing them a Form 3911, Taxpayer Statement Regarding Refund, to complete and sign, or advise the taxpayer that Form 3911 is available through the internet on www.irs.gov. See IRM 21.3.6.4.2, Other Methods of Obtaining Forms and Publication. Advise the taxpayer they can either mail or fax their form back to the IRS. If the taxpayer prefers to mail the form, enclose an envelope with your affiliated Refund Inquiry Unit address. If the taxpayer prefers to fax the form, provide the fax number of your affiliated Refund Inquiry function. For addresses and fax numbers, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab. If Married Filing Joint, advise taxpayer both spouses must sign.

> **Note:** Form 3911 can be used as written documentation to change a taxpayer's address. Upon receipt of Form 3911, update the address and input CC CHKCL. However, if the refund check was returned undelivered by the Postal Service, do not input CC CHKCL. See IRM 21.4.3.5.3, Undeliverable Refund Checks.

> **Reminder:** Advise taxpayer the Form 3911 is available through the internet on www.irs.gov. See IRM 21.3.6.4.2, Other Methods of Obtaining Forms and Publications.

f. Not a TC 840, see (3) below for instruction.
g. Not a mixed entity account.

h. Not a full TOP offset matching the TC 846 amount. If TC 898 matches the TC 846, this is a full TOP offset. See IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset, procedures.
i. No TC 740, TC 841 or TC 843 matching the TC 846 in question. If freeze codes are present, follow freeze release procedures.
j. No TC 971 AC 011 (indicates previous trace) posted after the TC 846 date. See IRM 21.4.2.4.4, Responding to Taxpayers Subsequent Inquiries.

(3) If the refund was issued as a TC 840, OSA can't be accepted. **DO NOT** input **CC CHKCL**. Advise the taxpayer they may obtain a copy of the Form 3911 at www.irs.gov under Forms and Instructions, or you can mail the form with issuing campus return envelope. Tell them they can either mail or fax their request. Provide the fax number and address of the issuing campus Refund Inquiry function. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab.

(4) After determining taxpayer meets oral statement criteria or a completed Form 3911 has been received, follow the CC CHKCL procedures to start the refund trace (recertification) process.

Note: If the taxpayer does not meet oral statement criteria, Form 3911 can be mailed to the taxpayer with a return envelope of your servicing Refund Inquiry function, or advise the taxpayer that Form 3911 is available through the internet on www.irs.gov. See IRM 21.4.2.4 (5), Refund Trace Actions, for fax options.

(5) Access CC TXMOD for the period in question.

(6) Open a control base as follows. This base must be created prior to CC CHKCLR input:

a. CC ACTON
    C#, CHKCLINPUT,B,3911
    *, IRS received date

(7) See Exhibit 2.4.23-3, CC CHKCL Input Example, for additional information on CC CHKCL. Below is information regarding the input screen.

a. Overlay CC TXMOD with CC CHKCLR, the response will be CC CHKCL.
b. Line 1 is generated from CC TXMOD.
c. Line 2–5 Enter taxpayer's name on Line 2 (Name Line 1). Use the additional name lines for any in-care-of or other information. If the check copy and/or claim form are to be sent to the IRS employee instead of the taxpayer, input Internal Revenue Service on Name Line 2.
d. Line 6–7 Enter taxpayer's current address or the address where the claim form/check copy are to be sent if the check is paid.

> **Note:** Input of a name or address different from that on CC ENMOD will not update the master file Entity.

e. Line 8 Check Number (used by Refund Inquiry Unit ONLY.)
f. Line 9 Overlay T with the type of non-receipt code:
  C = Request for certified photocopy check (no P freeze set).
  D = Destroyed, unendorsed check (no P freeze set).
  E = Lost stolen or destroyed endorsed check (no P freeze set).
  F = Non-entitlement (Used by Refund Inquiry Unit only) (no P freeze set).
  H = Unendorsed check freeze cancellation credit (P- Freeze set).
  J = Non-receipt of substitute check (Used by Refund Inquiry Unit only).
  L = Lost, unendorsed check (no P freeze set).
  N = Non-receipt of refund (no P freeze set).
  P = Request for regular photocopy of check (no P freeze set).
  S = Stolen, unendorsed check (no P freeze set).
  X = Endorsed check freeze cancellation credit (P- Freeze set).
g. Line 9 Refund schedule number (RSN) = YYYYJJJSCTLLLL. On refunds issued in 2003 and later, input the refund schedule number shown on CC TXMOD as "RSN" below the TC 846. On CC IMFOLT the RSN is located to the right of the TC 846. Be sure to **modify** input using the campus number with which you are affiliated.
  YYYY = (1-4 position) Cycle **YEAR** of the refund TC 846. **NOT the TAX PERIOD**.
  JJJ = (5-7 position) Julian date refund is issued.
  SC = (8-9 position) Modify by inputting your affiliated service center.
  T = (10th position) File type "1" for IMF/CADE/CADE 2; "0" for BMF; "3" for CADE (obsolete as of January 1, 2012); "4" for IRAF; "5" for other; "6" for Non Master File.
  LLLL = (11-14 position) Alpha characters; Four blanks for paper refunds; "Z" followed by three blanks for direct deposit; "I" followed by three blanks for International; "ZI" followed by two blanks for International direct deposit.
h. Line 9 Enter "Y" Generate TC 971 this generates a TC 971 AC 011. Only the Refund Inquiry Unit can use "N" for this entry.
i. Line 10 MMYYYY
  MMYYYY=Issue date of refund input. Input actual date of the refund
  MM= month; **YYYY** = year.
  IMF paper refund check and direct deposit refund dates are 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>".
  BMF check date - Add 1 calendar day to the TC 846 date.
  BMF direct deposit date - Subtract 6 calendar days from the TC 846 date.
  Accelerated cycle check date, see dates in items 10 below.
j. Line 10 Type of Payment code (P)
  I = IMF
  B = BMF
  D = IDRS (CC RFUND)
  M = Manual refund
k. Line 10 Sequence number of input from 001–999.
l. Line 10 DO = leave blank.
m. Lines 11, 13, and 15 Overlay the dollar signs with the full TC 846 amount of the refund you are tracing, even if a TOP partial offset has reduced the refund amount. If a TC 898 matches the TC 846, DO NOT input CC CHKCL.

n. Lines 11, 13, and 15 split refund indicator (SRI) = Indicates the type of split refund. Values are:
- o 0 - Not a split refund.
- o 1 through 3 - Enter the SRI related to the TC 846 shown on account for the refund you are tracing.

(8) Using the Missing Refund (CHKCL) IAT tool will automatically reassign the control base to the Refund Inquiry (RI) Team serving your site. If CC CHKCL must be input manually, reassign the control base to the Refund Inquiry Unit located at the Accounts Management Center serving your site. An open control base must remain **open** pending the trace process, which can take up to 120 days for direct deposits and 6 weeks for paper checks. Use the control numbers listed below for processing the case:

Note: Paper refund trace inquiries (e.g., Form 3911, correspondence, etc.) should be worked where received unless the exception in IRM 21.4.2.4, Refund Trace Actions applies. Toll free refund cases generated by Denver and Oakland will be reassigned to Kansas City RI, and Cleveland and Indianapolis will be reassigned to Memphis RI.

Overlay CC TXMOD with:
CC ACTON (new line)
C01 (new line)
Reassign Refund Inquiry Unit number
Andover = 0836088888
Atlanta = 0735300044
Austin = 0636099058
Brookhaven = 0136033333
Cincinnati = 0235300000
Kansas City = 0935903000
Fresno = 1036000005
Memphis = 0336000000
Ogden = 0436400005
Philadelphia = 0536022222

Reminder: If after inputting CC CHKCL you determine it was done in error, per IRM 2.4.23.2 (5), General Overview for Command Code CHKCL/CHKCLR, CC TERUPC can only be done on the same day of input.

(9) Advise taxpayer:

If	Then
Their check was not cashed	They will receive a replacement check in approximately 6 weeks (9 weeks if the TP has a foreign address).
Their refund was a direct deposit	After the trace is input, BFS will contact the banking institution to inquire about their refund status. It can take up to 120 days for a response to be received.

If	Then
Their check was cashed	They will receive a claim package within 6 weeks (9 weeks if the TP has a foreign address) to complete and return to BFS in order to pursue their claim.
They do not wish to pursue their claim	No further action is required. They may keep the claim package with a copy of their check for their records.

Exception: A replacement check will not be issued for the first, second, or third round of Economic Impact Payments. Instead, advise the taxpayer will need to claim the Recovery Rebate Credit on their 2020/2021 tax return as appropriate, if eligible. See IRM 21.6.3.4.2.14, Recovery Rebate Credit, for more information.

(10) **Category Codes Associated with Command Code (CC) CHKCL**

Category Codes	Definition	How Updated	When Updated	Overaged
3911	Oral statement/or correspondence received regarding refund.	CC ACTON	Case controlled or condition identified.	**30** days from received date.
RCTF	CC CHKCL input for check or direct deposit claim.	Computer generated.	When CC CHKCL input.	**30** days from action date.
RFCK	CC CHKCL input for Photocopy.	Computer generated.	When CC CHKCL input.	**30** days from action date.
RFIQ	Correspondence received regarding refund.	CC ACTON	When case controlled	**45** days from received date

(11) CADE/CADE 2 refunds are processed daily and do not fall into accelerated cycles. To determine the correct issue date when inputting CC CHKCL for paper refunds that were issued during an accelerated refund cycle, see Document 6209, for cycle charts.

Note: No refund intercepts (i.e., CC NOREF) are allowed during accelerated refund cycles.

Exhibit 21.4.2-2 Clarified proper case closure procedures. Added to send 86C letter when transferring case to BFS in status 08. Added procedures if check is on TCIS in status 18. Changes made for IRM clarity.

The disposition code can be located in the Activity Field of the IDRS Control History. The disposition code is displayed as the first 2 digits of the Activity Code followed by the date BFS provided the Disposition in YYYYMMDD format (i.e., 0120190325 = Disposition 01 provided by BFS on March 25, 2019.

Note: Additional category code information can be found in, Exhibit 21.4.2-6, Category Codes.

Note: Additional Disposition Code 11 information can be found in IRM 21.4.2.4.4.1, Subsequent Inquiries, With Status Codes, Without Prior Forgery Determination (CSR's and Refund Inquiry Unit), and Exhibit 21.4.2-5, Disposition and Status Codes - Additional Action Time Frames.

In the follow up actions outlined below for IMF cases, except where noted, close cases with a TC 290 .00, use Blocking Series "05" and a source document. A source document is defined as a paper Form 3911, Taxpayer Statement Regarding Refund, and/or taxpayer correspondence. A source document is not required for refund trace cases initiated via phone calls, or online through the Where's My Refund application.

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
01	ACKN	Claim processed by RFC to Treasury Check Information System (TCIS).	1. **Wait 30 days** for second status. 2. No reply, resubmit CC CHKCL.
03	OOPS	Rejected (Failed preliminary validity checks.)	1. Pull case. 2. Resubmit CC CHKCL.
04	OOPS	1. Previously processed as Available Check Cancellation (ACC), 2. Refund credit returned by RFC, through the Electronic Funds Transfer (EFT) from the bank, 3. Refund check intercepted, 4. Undeliverable TC 740. See IRM 21.4.3.5.3, Undeliverable Refund Checks. 5. If the refund credit has already generated a subsequent TC 846 in the same month. don't input CC CHKCL as the	(1 - 4) Take action to release credit, if necessary. Place any case documentation in classified waste when actions are complete. 5) Initiate the refund trace through the Treasury Check Information System (TCIS).

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
		refund trace will default to the first TC 846. See IRM 21.4.1.4.3, Multiple Refunds Issued From the Same Module in the Same Cycle.	
05	OOPS	Check previously mailed (within 5 days).	Close case and place any case documentation in classified waste when actions are complete.
06	OOPS	Previous CC CHKCL.	Check TCIS for previous claim. Send Letter 129C, Refund Inquiry; Form 3911 Required **or** Letter 206C, Refund Inquiry; Copy of Check Requested, Check Being Traced (Form FS 1133), as appropriate, to the taxpayer. Include check number and date along with the toll-free telephone number for BFS. Place any case documentation in classified waste when actions are complete.
07	OOPS	No payment issued or unprocessable claim.	1. Pull Case. 2. Conduct additional research (i.e., different TIN.) 3. Resubmit CC CHKCL. **Note:** Do not reinput trace for EIP pre-paid debit cards.
08	OOPS	Second trace input on DD.	Monitor case for 30 days. • BFS will automatically follow up with the financial institution until the issue is resolved. BFS will load an electronic copy of the FS Form 150.1 to TCIS when

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
			it is received from the financial institution. • If after 30 days, there is no FS Form 150.1 posted on TCIS, send the taxpayer a Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, to notify them you are transferring the case to BFS for resolution. Close case. See Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions. • If the FS Form 150.1 is loaded to TCIS, update the case control to "DDPD" and follow status 09 instructions. • If a Form 4442/e-4442, Inquiry Referral is received, research case and take appropriate action.
09	DDPD	1. RFC has contacted bank via FS Form 150.1 to trace refund. 2. Bank to send a copy to RFC. 3. RFC will load an electronic copy of the FS Form 150.1 to TCIS.	1. Research TCIS. If FS Form 150.1 is located, verify routing transit number, account code (either C for checking or S for savings), bank account number on CC IMFOBT. 2. If the information doesn't match, follow IRM 21.4.1.5.7.5, Non-Receipt of Direct Deposited Refunds-"Refund Inquiry Employees". 3. If the information does match, send appropriate letter to the taxpayer.

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
			4. Close case. See Exhibit 21.4.2-2, Disposition Code Chart -Refund Inquiry Employee Actions. 5. If it has been at least 90 days, and no 150.1 copy is available on TCIS, reinput CC CHKCL. Refer to Status 08 above. 6. If 150.1 does not resolve taxpayer's issue, continue processing, if necessary.
10	OOPS	Invalid Stop Reason Code	1. Pull Case. 2. Resubmit CC CHKCL.
2☆	OOPS	Amount difference	1. Pull Case. 2. Resubmit CC CHKCL.
3☆	OOPS	Claim submitted too early for RFC to process	1. Pull Case. 2. Resubmit CC CHKCL.
4☆	OOPS	Duplicate tape claims submitted.	1. Wait for update. 2. **No reply in 30 days**, resubmit CC CHKCL.
5☆	OOPS	Invalid Direct Deposit information submitted.	1. Pull Case. 2. Resubmit CC CHKCL.
7☆	ACKN	Photocopy request processed by RFC to TCIS.	1. Wait for 2nd status. 2. No reply in **30 days**, research TCIS for copy. If not on TCIS, resubmit CC CHKCL.
9☆	PAID	Direct Deposit trace input with Non-Receipt Code "P" no FS Form 150.1 will generate.	Reinput trace with Non-Receipt Code "N" no limited payability on Direct Deposit. (Electronic File Transfer processed).
11	PAID or 3858	Paid -Photocopy and claim mailed to taxpayer.	BFS has sent claim package (Form FS 1133) to the taxpayer.

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
			Refund Inquiry Unit will send Letter 206C to taxpayer, including check information and using appropriate paragraph. Close case. See Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions.

14	**PAID**	1. Paid - Photocopy to follow, or
		2. CC CHKCL input after an uncashed check has expired and the credit returned to IRS.
			1. Monitor for receipt.
			  a. Upon receipt continue processing. See IRM 21.4.2.4, Refund Trace Actions.
			  b. If copy not received in 30 days, research TCIS for a copy or reinput CC CHKCL.
			2. Research for TC 740 and release freeze if necessary.
			3. Close case. See Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions.

14	**PAID**	1. Paid - Photocopy to follow, or 2. CC CHKCL input after an uncashed check has expired and the credit returned to IRS.	If no photocopy within **30 days:** a. IDRS shows certified photocopy previously received, update Activity Code to reflect proper status of case, or b. IDRS shows no indication that certified photocopy received, contact BFS.
15	**PAID**	Paid - Certified photocopy to follow.	Monitor for receipt of certified photocopy.

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
			a. Upon receipt continue processing. See IRM 21.4.2.4.15.2, Request for Administrative Photocopy. b. If no photocopy within **30 days** and IDRS shows photocopy previously received, update activity code to reflect proper status of case. c. If IDRS shows no indication that certified photocopy received, contact BFS.
17	**PAID**	Paid - Endorsed, photo/claim to follow.	Monitor. If no photocopy in **30 days**, contact BFS.
18	**PAID**	Paid - Claim submitted after the Limited Payability cutoff date.	If Form 3911 is available, research TCIS for a check copy. • If check is available on the TCIS system, provide the taxpayer with a copy and close case. See Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions. • Input a TC 971 AC 011 on CC TXMOD using the date you secure the check. You must also include the money amount of the check in the FREEZE-RELEASE-AMT field. • If not found, process as a Limited Payability (LP) Trace, reinputting the CC CHKCL with Non-Receipt Code **P**.

Disposition Status Code ☆ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
			If no Form 3911 is present, correspond with the taxpayer.
20	OOPS	Payment declined due to alteration of check. Photocopy and claim to follow.	Monitor if no photocopy in **30 days**, follow up, contact BFS.
22	OOPS	Insufficient agency information.	1. Pull case. 2. Resubmit CC CHKCL. 3. Use appropriate Stop Reason Code.
27	OOPS	Previously processed as Limited Payability Check Cancellation and refund credit (TC 740) was returned by the RFC.	Take action to release credit, if necessary. Place case documents in classified waste when case is closed.
31		Check Outstanding. RFC will issue recertified check.	Monitor for TC 841.
32	ST32	Outstanding check cancelled credit will be returned to IRS.	Monitor for TC 841.
33	OOPS	Outstanding - No Photocopy.	Send Letter 1219C, Refund Inquiry; (Joint F3911) Requires Certification: Form 1040.
53	OOPS	Reject - Duplicate Stop	Contact BFS Check Information Section at 855-868-0151, Option 1.
65	ACKN	Refund associated with TOP Offset.	1. Wait for subsequent disposition code. 2. **No reply within 30 days**, contact BFS Birmingham.
71	OOPS	TOP Offset refund in full.	See IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset
72	OOPS	TOP Offset partial refund.	See IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset
90	OOPS	TCIS/PACER disconnect error.	Contact BFS to reset the interface indicator.

Exhibit 21.4.2-5 Added referral procedures if no open control to Refund Inquiry. Updated timeframes for certain status codes. Change made for IRM clarity.

(1) The disposition code can be located in the Activity Field of the Integrated Data Retrieval System (IDRS) Control History. The disposition code is displayed as the first 2 digits of the Activity Code followed by the date the Bureau of Fiscal Service provided the Disposition in YYYYMMDD format (i.e., 0120190325 = Disposition 01 provided by BFS on March 25, 2019.

Note: Additional Disposition Code 11 information can be found in IRM 21.4.2.4.4.1, Subsequent Inquiries, With Status Codes, Without Prior Forgery Determination (CSR's and Refund Inquiry Unit, and Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions.

Code	Definition	Actions and Time Frames
01	Regional Finance Center (RFC) has requested the status of check from the Financial Processing Division.	If there is no indication the check was cashed and **no action after 28 days from the status 01 date**, send Form 4442/e-4442, Inquiry Referral, to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function.
04	Claim was previously processed as an available check cancellation. Check was sent but returned as undeliverable or cancelled.	Taxpayer should receive **check within six weeks** (nine weeks for a foreign address).
07	Unprocessable claim.	If no other action indicated in the Integrated Data Retrieval System (IDRS) Control History section: a. Send Form 4442/e-4442 to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function. b. Advise taxpayer he/she will be **contacted within 30 days**.
08	**For Direct Deposit Refunds** - No response from the Direct Deposit designated financial institution. The subsequent CC CHKCL input generates an FS Form 150.1 to the bank. Input when the taxpayer indicates that they have not received the requested information from the initial trace, and it has been more than	1. If the taxpayer has not received FS Form 150.1 and TC 841 is not present send Form 4442/e-4442 to the Refund Inquiry campus with the open control. If no open control, send to you local Refund Inquiry function. 2. If the taxpayer has not received FS Form 150.1 copy and a Transaction Code (TC) 841 is

Code	Definition	Actions and Time Frames
	30 days. Verify taxpayer has NOT received the FS Form 150.1 copy.	posted, advise taxpayer of refund reissue or other disposition of credit.
09	**For Direct Deposit Refunds** - The RFC contacts the financial institution via FS Form 150.1 to trace the refund. Copies of the results are sent to RFC. RFC will load an electronic copy of the FS Form 150.1 to TCIS.	1. If no TC 841 is present, and it has been at least **90 days** from the date the trace was initiated, send Form 4442/e-4442 to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function. 2. If it has not been at least 90 days, advise the taxpayer to call back after this time frame has elapsed. 3. If TC 841 is posted, advise taxpayer of refund reissue or other disposition of credit.
11	Check has been cashed. The taxpayer must contact the BFS Check Claims Branch at the toll-free number 855-868-0151 (press option 1, then option 1) (English and Spanish speaking assistance is available on the Check Claims toll free number). The TP needs to inquire about the status of the Form FS 1133, after it has been returned to the Bureau of Check Claims.	Provide the taxpayer with the entire check number, including both check symbol (first four digits) and serial number (last eight digits), and refund date, all are available on IMFOL#. • Taxpayer will receive a copy of the cancelled check and Form FS 1133 **within 30 days of the Status** "11" date. • If the taxpayer is in receipt of the Form FS 1133, advise them to complete and return the form to BFS along with a copy of the cancelled check. **Allow 90 days** for processing.
27	Check was previously processed as Limited Payability Check Cancellation. Check was issued but was not cashed within one year from the date of issue. The refund credit (TC 740) was returned by the RFC.	Taxpayer should receive **check within six weeks** (11 weeks for a foreign address).
32	Check cancelled - new check to be issued.	Taxpayer should **receive refund within four weeks** (nine weeks for a foreign address).

Code	Definition	Actions and Time Frames
65	Treasury Offset Program (TOP) offset of refund. The initial disposition code indicates the refund was associated with a "TOP offset". Subsequent disposition codes will follow.	Review the taxpayer's account to determine if refund was offset in full. Follow IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset.
71	Full TOP offset.	Follow IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset
72	TOP offset - Unavailable Check Cancellation (UCC). This code is passed for non-receipt claims when only the amount of the partial payment issued because of an offset being returned.	The offset is not reversed. Generates a TC 841 and is the equivalent of a "Code 09" which generates a Document Locator Number (DLN) with Block **88888**. Follow procedures under "Code 09" Then section (3) above.