

IRM PROCEDURAL UPDATE

DATE: 11/20/2023

NUMBER: wi-21-1123-1104

SUBJECT: Various Changes to Refund Research

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

CHANGE(s):

IRM 21.4.1.4 -Updated to advise to refer to the IRS Operations: Status of Mission-Critical Functions status page for current operational status of Form 1040 and Form 1040X.

(1) Taxpayers can use the following IRS automated systems to check their federal refund status:

- Where's my Refund (WMR) provides refund information for the current processing year plus two prior year returns

Note: The refund amount from the original return should always be used when accessing WMR. WMR gives the taxpayer the option of selecting the current or prior two tax years to check their refund status. However, it's possible that if a taxpayer filed a tax year 2020 return after a tax year 2021 return, but before May 22, 2022, the 2021 refund status may not be available.

- IRS2GO provides current processing year plus two prior year return information
- Refund Hotline provides refund information for current processing year only

Note: If taxpayer is calling and/or inquiring via correspondence/claim regarding their state refund, refer to State Income Tax Contact Information for the appropriate state agency number.

(2) Probe to determine if the caller e-filed their return more than 21 days prior to the call or mailed a return more than six weeks prior to the call.

Note: If taxpayers indicate they called the financial institution and were advised the refund was returned through the External Lead Process or a Bank Lead, refer to IRM 21.4.1.4.6, External Leads Program or Other Questionable Refund Inquiries, for more information.

Reminder: Some e-filed returns are accepted before the **publicly announced start date** for accepting and processing electronically filed returns. This is done for testing the system. However, no returns are processed until the announced date, therefore

no time frame calculation should start before the publicly announced start date for those early returns. All other time frame calculations should start on the date of the acknowledgement for the e-filed return. This **publicly announced start date** is also valid for paper filed tax returns. Do not conduct any required research on the account prior to the official filing date. Review time frames in paragraph (3) below.

- For current and prior two tax year inquiries, continue to paragraph (4) below:
- For all other prior tax year inquiries, determine if the time frame has been met per paragraph (3) below. If time frame is **met**, authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.4.1, Locating the Taxpayer's Return, for additional information. For authentication procedures, see IRM 21.1.3, Operational Guidelines Overview. If time frame is **not met**, advise taxpayer to allow the appropriate processing time frame.

Caution: It is extremely important to consider the refund statute expiration date (RSED) prior to responding to the taxpayer. Refer to IRM 25.6.1.5, Basic Guide for Processing Cases with Statute of Limitations Issues, for additional information.

- For inquiries regarding Economic Impact Payments, see IRM 21.6.3.4.2.13.2, Economic Impact Payments - Refund Inquiries.

(3) Use the following table to determine if the processing time frame has been met. If prior to February 15th, probe the taxpayer to determine if they meet the PATH Act Section 201 criteria and advise them of the refund time frames specified in IRM 21.4.1.3.1, PATH Act Refunds.

Note: DO NOT conduct any refund research prior to the end of these time frames, unless conditions in the table in (4) below exist.

Return Type	Processing Time Frame
Paper refund return	<ul style="list-style-type: none"> • 6 weeks for normal processing • For Injured Spouse returns see IRM 21.4.6.5.2, Injured Spouse Inquiries, for additional information. <p>Note: If taxpayer filed a Form W-7, Application for IRS Individual Taxpayer Identification Number, with their return, see IRM 3.21.263.8.4, Refund Inquiries Involving ITIN Issues.</p>
e-File refund return	<ul style="list-style-type: none"> • 3 weeks (see above for time frame calculation guidance) • Refund research may begin on the 21st day <p>Caution: Tax returns meeting the PATH Act Section 201 criteria may exceed the 21 day time frame between the return received date and refund sent status.</p>

1040-X return (see (8) below for amended return information through IRS automation)	<ul style="list-style-type: none"> • up to 16 weeks
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Note: Processing times for Form 1040, U.S. Individual Income Tax Return, and/or Form 1040-X, Amended U.S. Individual Income Tax Return, may be temporarily extended. Refer to “www.irs.gov/newsroom/irs-operations-status-of-mission-critical-functions” to check the current operational status.

Note: # [REDACTED] #

Caution: Additional taxpayer authentication is required on modules where RIVO or CI-SDC indicators are present **and** a CP 53 series notice was issued (e.g., CP 53, 53A, 53B, 53C, or 53D) for the tax period in question. 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, 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.

(4) For current and prior two processing year individual accounts, ask the taxpayer if they’ve checked on the status of the refund by using one of the IRS automated systems: Where’s My Refund (WMR) on IRS.gov; IRS2GO (English and Spanish) for smart phones; or the Refund Hotline. Use the table below to determine your call resolution actions.

Note: If a taxpayer requests assistance with the IRS automated systems listed above, **do not** attempt to access the system for them. Instead, provide the taxpayer verbal instructions on where/how to obtain the status of their refund. If the caller is an unauthorized third party, do not refer them to the automated systems.

Exception: Regardless of the return processing time frame, if the taxpayer is calling in an attempt to stop a direct deposit for any reason, including an error in direct deposit information, and wants to flip the direct deposit to a paper check (TC 971 AC 850), follow procedures in IRM 21.4.1.5.7 (3), Direct Deposits - General Information. Remember to check for Refund Advance Product (RAL/RAC) indicators.

Reminder: For authentication procedures, see IRM 21.1.3.2.3, Required Taxpayer Authentication.

Row Number	If taxpayer's response is	Then
1	No, and the normal processing time frames have not been met.	<ol style="list-style-type: none"> 1. DO NOT access the taxpayer's account or complete any research. 2. Provide the taxpayer with appropriate return processing time frames and information about our automated refund applications: <ul style="list-style-type: none"> ○ Where's My Refund? on IRS.gov, now includes a "refund status tracker bar" that will show you which processing status your return is in: <ol style="list-style-type: none"> a. Return Received – no projected refund date is given b. Refund Approved – the refund date depending on direct deposit or paper check mailing is provided c. Refund Sent – informs the taxpayer of the date the refund was transmitted to the financial institution, or the date a paper check was mailed ○ IRS2Go (English and Spanish), our free mobile application for smart phones ○ Refund Hotline - 800-829-1954 - toll free assistants provide only if the taxpayer does not have access to a computer or the internet 3. Before ending the call, on Individual accounts, 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. They are fast, accurate and available 7 days a week from any computer or smart

		<p>phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers.</p> <ol style="list-style-type: none"> 4. Route them out to the automated Refund Hotline, transfer to extension 3158 for English or 3258 for Spanish. 5. If the taxpayer refuses to be routed to the automated Refund Hotline, ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.
2	No, and the normal processing time frames have been met.	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.4.1, Locating the Taxpayer's Return, for additional information. <p>Reminder: If, after research, it is determined the normal processing time frame has not expired, follow steps 2 -4 in the box below.</p> <ol style="list-style-type: none"> 2. Before ending the call, on Individual accounts, 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. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool.

		Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers.
3	Yes, and the normal processing time frames haven't been met, and they received a response saying, "We received your tax return and it is being processed," or "Your tax refund is scheduled to be sent to your bank on..."	<ol style="list-style-type: none"> 1. DO NOT access the taxpayer's account or complete any research. 2. Advise the taxpayer that you are unable to provide any additional information than the information already provided by the automated system and provide the appropriate return processing time frames. 3. Before ending the call, on Individual accounts, 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. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers. 4. Ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.

4	Yes, and the normal processing time frames haven't been met, and they originally received a response saying "We received your tax return and it is being processed," or "Your tax refund is scheduled to be sent to your bank on..." or other message regarding the refund status, but now the automated system returns a message indicating "no data available"	<p>DO NOT access the taxpayer's account or complete any research.</p> <p>Tell the taxpayer:</p> <ol style="list-style-type: none"> 1. The initial message is still accurate, we received the return, and it is being processed. Provide the appropriate return processing time frames. 2. The tool is updated no more than once a day – usually overnight. 3. They should wait and check the tool again tomorrow.
5	Yes, and the normal processing time frames have been met , and they originally received a response saying "We received your tax return and it is being processed," or "Your tax refund is scheduled to be sent to your bank on..." or other message regarding the refund status, but now the automated system returns a message indicating "no data available"	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. <p>Note: The automated systems may at times provide an incorrect response in error. Apologize for any inconvenience and conduct research.</p>
6	Yes, and the taxpayer provides a 4-digit reference number that they got on one of the automated systems or a "take action" message was received but no reference number	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.6, Internet Refund Fact of Filing (IRFOF), for further guidance, and Exhibit 21.4.1-3, Internet Refund Fact of Filing Reference Numbers, for a list of the most common reference codes. <p>Exception: If IDRS research reveals UPC 126 RC 0, see the guidance in the (2) Table in IRM 21.4.1.4.1.2, Return Found/Not Processed, for guidance.</p>
7	Yes, and the taxpayer was informed by the automated application that a change occurred to the refund amount for which the taxpayer needs	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.5.1, Refund Not Sent or

	additional information, or the taxpayer was provided with a call back number and 3-digit extension	Amount Differs, for additional information.
8	Yes, but the automated application "cannot provide any information" and it has been more than 24 hours since the taxpayer received acknowledgement of their e-filed return or 4 weeks since they mailed their paper return	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and confirm that they are using the correct shared secrets on the automated applications (TIN, filing status and expected refund amount, in whole dollar amount). Once authenticated, provide correct shared secrets if applicable. Access CC FFINFQ or CC REINF, if necessary. Do not provide any refund information, unless there is a TC 846 present. Do not continue with the steps below if the TC 846 status is provided. 2. Before ending the call, on Individual accounts, 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. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers. 3. Route them out to the automated Refund Hotline, transfer to extension 3158 for English or 3258 for Spanish. 4. If the taxpayer refuses to be routed to the automated Refund Hotline, ask the taxpayer if they have any

		additional questions. If not, then thank them for calling and end the call.
9	Yes, and the normal processing time frames have been met	<ol style="list-style-type: none"> 1. Authenticate the taxpayer's identity and conduct account research to assist the taxpayer. See IRM 21.4.1.4.1, Locating the Taxpayer's Return, for additional information. 2. Before ending the call, on Individual accounts, 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. They are fast, accurate and available 7 days a week from any computer or smart phone with internet access, and the information provided is specific to each taxpayer who uses the tool. Remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor. Also, advise them that updates to the automated systems will depend on the account status, and whether required actions have been completed to release the refund. Automated systems are not available for business taxpayers.

Reminder: Where's My Refund cannot provide any information on Form 1040-X or Form 8379, Injured Spouse Allocation, claims filed after the original return. To check the status of Form 1040-X taxpayers must use the Where's My Amended Return (WMAR) application on IRS.gov. See (8) below for Form 1040-X information through automation.

(5) When responding to a paper refund request, if there is no record of a return after researching, see IRM 21.4.1.4.1, Locating the Taxpayer's Return. Contact the taxpayer to request additional information.

Note: Consider the possibility that the taxpayer has made an informal claim for a refund. In some situations, an informal claim submitted by the RSED may be perfected after the RSED and the perfected claim will be considered filed on the

earlier date. See IRM 21.5.3, General Claims Procedures, and IRM 25.6.1.10.2.6.3, Informal Claims, for information and guidance.

(6) If the taxpayer has other non-refund related issues, after authenticating the taxpayer's identity, conduct the necessary account research and provide assistance according to the applicable IRM procedures.

(7) If IDRS research (CC IMFOL, CC TXMOD, CC ENMOD) reveals any of the following conditions, follow IRM 25.25.6.6, Non Taxpayer Protections Program (TPP) Telephone Assistors Response to Taxpayers, for guidance:

- The account has UPC 126 RC 0 (with or without the letter). See the table in IRM 21.4.1.4.1.2.1, Unpostable Conditions, for guidance
- TC 971 AC 111 (only those that had a previous TC 971 AC 121, TC 971 AC 124, or TC 971 AC 129 marker) and the return is posted on MFT 32
- TC 971 AC 121 (TC 971 AC 121 is no longer used after January 2017)
- TC 971 AC 123 with a MISC field of TPP RECOVERY on CC IMFOL or CC TXMOD or an open control assigned to IDRS number **1487388888**. See IRM 25.25.6.1.7.1, Taxpayer Protection Program (TPP) Recovery Project.
- TC 971 AC 124 with the DLN of the return in question in the MISC field - (used exclusively beginning in January 2017)
- TC 971 AC 124 with the DLN of the return in question in the MISC field - and no return posted (unpostable has been identified as deleted (URC D))
- TC 971 AC 129 - the return is generally posted to MFT 30
- 4883C, 5071C, 5447C or letter 5747C, and the taxpayer received but lost the letter, moved, or never received the letter
- 4883C, 5071C, 5447C or letter 5747C, and the taxpayer is questioning the reason for the delay

(8) If preliminary questions determine the call is about a Form 1040-X proceed with the following:

- Ask the taxpayer for the date they filed their amended return.
- Determine if the amended return was submitted more than 16 weeks before today's date.

If the time frame has been met:

- Authenticate the taxpayer's identity.
- Access CC TXMOD to determine if we have received the Amended Return. Conduct the necessary account research and provide assistance according to the applicable IRM procedures. See IRM 21.5.3.3.1, Locating Amended Returns (Form 1040-X), for additional information.

If the time frame has not been met, ask the taxpayer if they've checked on the status

of the amended return by using one of the IRS amended tax return automated systems, and then use the following procedures:

Note: The **Where's My Amended Return?** tool provides the status of Form 1040-X for the current year and up to three prior years.

- WMAR keys off the TC 971 AC 120 placed on the account by Submission Processing.
- WMAR does NOT provide the status of Form 843 Claims, Injured Spouse Claims, Carrybacks (applications and claims), Form 1040 series marked as an amended return, or amended returns with a foreign address.
- WMAR cannot provide information on amended returns accepted directly by Compliance/Exam/TAC or other functions in which the input of TC 971 AC 120 by Submission Processing is bypassed.
- **Again, emphasize the best way to get the most current refund information is through the automated systems. They are fast, accurate and available 7 days a week from any computer with internet access, AND the information provided is specific to each taxpayer who uses the tool. Also remind the taxpayer that by using the automated systems, they would not have to wait on hold to speak to an assistor.**

If the taxpayer's response is	Then
No	<ol style="list-style-type: none"> 1. Provide the taxpayer with the appropriate processing time frame and information about our automated Amended Return applications: <ul style="list-style-type: none"> ○ Where's My Amended Return? (WMAR) on IRS.gov includes a "status tracker bar" that will show you which processing status your amended return is in: <ol style="list-style-type: none"> a. Amended Return Received – Taxpayer is provided the received date and told to wait 16 weeks for processing b. Adjusted – The adjustment posting date is provided with information to wait 3 weeks for the refund/notice c. Completed – The taxpayer should have already received the refund and notice information, and the inquiry date is greater than 3 weeks from the adjustment date ○ Form 1040-X toll free number- 866-464-2050 - provide only if the taxpayer does not have access to a computer or the internet 2. Advise the taxpayer the best way to get the most current information about their

	<p>Amended Return is through the automated systems. They are fast, accurate and available 7 days a week from any computer with internet access, AND the information provided is specific to each taxpayer who uses the tool.</p> <p>3. Advise the taxpayer it could take up to 3 weeks from the date the amended return was filed for information to become available. Also remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor.</p> <p>Note: Transferring a caller directly to the Form 1040-X number is not an option. Transfer the caller to the WMAR automated application by using the WMR CSR direct transfer numbers #3158 for English or #3258 for Spanish. Inform the caller before you transfer, select the "Amended Return" prompt to use the automated application.</p> <p>4. If the taxpayer declines to use the automated tool - DO NOT access their account or complete any research.</p> <p>5. Ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.</p>
<p>Yes, and they received a response saying, "We received your amended tax return on... and it is being processed", or "received on...and adjusted on..."</p>	<p>1. DO NOT Access their Account or complete any research.</p> <p>2. Advise the taxpayer of the appropriate processing time frame and that you are unable to provide any additional information other than the information already provided by the automated system.</p> <p>3. Advise the taxpayer the best way to get the most current information about their amended return is through the automated systems. They are fast, accurate and available 7 days a week from any computer with internet access, AND the information provided is specific to each taxpayer who uses the tool. Also remind them that by using the automated systems, they would not have to wait on hold to speak to an assistor.</p>

	4. Ask the taxpayer if they have any additional questions. If not, then thank them for calling and end the call.
<p>Yes, and any of the following apply:</p> <ul style="list-style-type: none"> • The taxpayer provides a reference number they got on one of the automated systems, or • The taxpayer was informed by the application a change occurred to the amended return or refund amount, or • A notice or letter was received, for which they need additional information, or • The taxpayer was informed by the application to contact us if the amended return was filed more than 3 weeks ago and we have no record of it 	<p>Authenticate the taxpayer's identity and conduct account research to assist the taxpayer.</p>

(9) When practical, telephone the taxpayer for any additional information you may need. If you cannot contact the taxpayer by telephone, use existing letters to reply to or request additional information from the taxpayer.

Note: When contacting taxpayers, refer to IRM 21.1.3, Operational Guidelines Overview, for the appropriate disclosure authorization procedures.

(10) Address correction is acceptable over the telephone for release of an undeliverable refund freeze. See IRM 3.13.5.29, Oral Statement/Telephone Contact Address Changes Requirements, for guidance. Ensure you are talking to the taxpayer or their authorized representative and document the adjustment remark section following the procedures found in IRM 21.1.3.20.2, Oral Statement Documentation Requirements. If there is any reason to doubt the identity of the person calling, request the caller to submit the information in writing. See Section 5.04(3) of Rev. Proc. 2010-16, 2010-19 IRB 664 for information about how the IRS is orally informed of address changes.

(11) To research refund inquiries concerning non-receipt of direct deposit, see IRM 21.4.1.5.7, Direct Deposits - General Information.

(12) The TC 971 AC 696 was established to indicate that Bureau of the Fiscal Service (BFS) has acknowledged/confirmed receipt of an IRS refund record. This code has no impact on refunds, either paper check, direct deposit or split refunds. It does not indicate that a refund was offset or is being offset, nor does it prevent a refund from being offset by BFS to a non-tax debt.

IRM 21.4.1.4.1.1 -Updated to reflect procedures for all amended returned file more than 36 weeks ago with no record on file.

(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 or	<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 on paper more than six months ago and is due a refund, and Where's My Refund?

Met, but no record that a paper return was received	<p>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.</p> <ul style="list-style-type: none"> • Provide the taxpayer with the irs.gov web address "www.irs.gov/covidstatus" to check the current operational status due to Covid-19. <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 was received , but was not processed . For more information, see IRM	<ul style="list-style-type: none"> • 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.

21.4.1.4.1.2 (2), Return Found/Not Processed.	<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.

	<ul style="list-style-type: none"> Provide the taxpayer with the irs.gov web address "www.irs.gov/covidstatus" to check the current operational status due to Covid-19.
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 chart to remove business rules for unpostable (UPC) 147 reason (URC) 1/6/7/8 which are obsolete as of January 2017.

(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 Number	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

			<ul style="list-style-type: none"> If there are no freeze codes present, and the 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>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	Initiate a Form 4442/e-4442, Inquiry Referral, to RIVO,

		(the address may have been updated to the service center address)	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 and fax it following instructions in bullet below.

			<p>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.</p> <ul style="list-style-type: none"> • Follow the guidance in IRM 3.28.4.8 (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
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			<p>assisters should then follow the guidance above.</p> <ul style="list-style-type: none"> 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 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. 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).	Research CC ERINV. See IRM 21.4.1.4.1.2.4,

			Returns Located on Error Resolution System (ERS) or Rejects.
11	FFINQ	Return information (after no information on CC SUMRY or CC IMFOL) and no FREEZE-INDICATOR.	See IRM 21.4.1.4.1.2.4, Returns Located on Error Resolution System (ERS) or Rejects.
12	TRDBV	Return information (for IRS e-File).	See IRM 21.4.1.4.1.2.3, Researching Rejected IMF E-filed Returns. Note: If CC TRDBV response screen TRDPG displays: "Current-Status: GUF 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.

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 21.4.1.4.1.2.1 -Updated chart to remove business rules for unpostable (UPC) 147 reason (URC) 1/6/7/8 which are obsolete as of January 2017.

(1) If the module shows the original return went unpostable during processing, determine:

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 Number	If	Then
1	An unpostable condition other than UPC 126 or UPC 147 has NOT been corrected, whether viewable in CC UPTIN or not.	If available, use CC UPCASZ to notify the unpostable function of correction needed. See IRM 21.5.5.3.3, Responding to Taxpayer Inquiries on an Open Unpostable, for further guidance. Note: The IAT UP Histories tool can be used to leave a history item.
2	An unpostable condition including UPC 126 or UPC 147 has been corrected Note: The closed UPC 147/126 resulted in a return moved to MFT 32	<ul style="list-style-type: none"> Advise taxpayer to allow 9 weeks from the closing date for processing. See IRM 21.5.5.3.4, Responding to Inquiries on a Closed Unpostable. If 9 weeks have passed and refund has not been issued, see IRM 25.25.6.6.4, Taxpayer Protection Program (TPP) Issue Resolved - Refund Not Received.
3	The UPC 126 RC 0 is closed with a URC of 0	See IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers, for procedures
4	The UPC 147 RC 0 is closed with a URC of 0	See IRM 25.23.2.7.3, Identity Theft Identified by Submission Processing, for more information. <ul style="list-style-type: none"> Advise taxpayer to allow 9 weeks from the closing date for processing.
5	Unpostable condition is an unresolved UPC 126 RC 0 and is not viewable on CC UPTIN and the normal processing time frames have not been met.	<ul style="list-style-type: none"> Advise the taxpayer that the tax return has been selected for further review and to allow the normal processing time frames in IRM 21.4.1.4, Refund Inquiry Response Procedures. Advise the taxpayer that they should receive either their refund or correspondence within those time frames.
6	Unpostable condition is an unresolved UPC 126 RC 0 and is not viewable on CC UPTIN	If the UPC 126 RC 0 posted to the account within 14 days of the date of the call, advise the caller that the tax return has been selected for further review and to

	and the normal processing time frames have been met.	allow 14 days to receive a letter with further instructions. Advise the caller to call IRS at 800-829-1040 if they do not receive a letter within 14 days from the date of the call.
7	Unpostable condition is an unresolved UPC 126 RC 0 and is not viewable on CC UPTIN and the normal processing time frames have been met.	If the UPC 126 RC 0 posted to the account more than 14 days prior to the date of the call, see IRM 25.25.6.6.2 (3), Procedures for when the Caller has not Received or Lost the Taxpayer Protection Program (TPP) Letter, follow instructions under "NOTE" in paragraph 3.
8	Unpostable condition is an unresolved UPC 126 RC 0 and is viewable on CC UPTIN.	CSRs should see IRM 25.25.6.6, Non Taxpayer Protection Program (TPP) Telephone Assistors Response to Taxpayers. Note: Do not use CC UPCASZ on UPC 126 RC 0.
9	The UPC 147 RC 0 unpostable remains open and it's been 8 cycles or less since the transaction went unpostable.	<ul style="list-style-type: none"> Advise the taxpayer to allow 8 weeks for resolution and they should receive either their refund or correspondence within that time frame. For paper inquiries, follow procedures in paragraph (2) below.
10	The UPC 147 RC 0 unpostable remains open or is in suspense and it's been more than 8 cycles since the transaction went unpostable.	<ul style="list-style-type: none"> When the contact is from the taxpayer or authorized representative, send Form 4442/e-4442, Inquiry Referral, to Submission Processing using the Form 4442 Submission Processing Unpostable Referral Listing. Select category, "Refund" then select "SPIDT". Unpostable cases may not show the assigned IDRS numbers initially, however the referrals should still be sent according to the Responsible Campus. 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

		<p>Advocate Service (TAS) Guidelines.</p> <ul style="list-style-type: none"> For paper inquiries, follow procedures in paragraph (2) below.
11	<p>The UPC 147 RC 0 is closed, the return has posted to MFT 32 (TC 971 AC 111 present on MFT 30), and TC 971 AC 506 with "WI SP UPC 147" is in the MISC field on CC ENMOD and CC IMFOLE.</p>	<ul style="list-style-type: none"> When the contact is from the taxpayer or authorized representative, perform additional authentication per IRM 21.1.3.2.4, Additional Taxpayer Authentication. If the caller passes additional authentication, send Form 4442/e-4442 to the SP IDT team at the site of the closed unpostable. Follow routing procedures in the bullet below. Select category, "Refund" then select "SPIDT". See IRM 3.28.4.8 (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 assistants should then follow the guidance above. For paper inquiries, follow procedures in paragraph (2) below.
12	<p>Unpostable condition is UPC 147 RC 0 and URC D (deleted)</p>	<p>Submission Processing Identity Theft (SPIDT) has deleted the return:</p>

	<p>condition shows on CC TRDBV as "GUF VOIDED/DELETED"</p>	<ul style="list-style-type: none"> • When the contact is from the taxpayer or authorized representative, perform additional authentication per IRM 21.1.3.2.4, Additional Taxpayer Authentication. If the caller passes, follow the guidance in IRM 3.28.4.8 (2), Review of Deleted Returns - UPC 147 RC 0 Only. • Advise the taxpayer to allow the normal processing time frames shown in IRM 21.4.1.4, Refund Inquiry Response Procedures. <p>Note: Taxpayers inquiring about an account with an indication of "SPIDT STILL BAD" on CC TXMOD or AMS should be advised to submit their correct, signed paper return with all supporting documentation to the fax number/address shown in IRM 3.28.4.8 (2), Review of Deleted Returns - UPC 147 RC 0 Only. Normal processing time frames apply to the newly submitted return.</p> <ul style="list-style-type: none"> • 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 assistants should then follow the guidance above. • For paper inquiries, if AMS does not show the taxpayer has authenticated, send 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
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		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. Close your case. If AMS shows the taxpayer has been authenticated, forward the tax return using the instructions in IRM 3.28.4.8 (2), Review of Deleted Returns - UPC 147 RC 0 Only.
13	Unpostable condition is UPC 147 RC 4 with Special Processing Code (SPC) 9. SPC 9 is displayed on CC TRDBV. Select "GUF VOIDED-DELETED" and then "CODES."	This is an indication of a return attempting to post on a deceased taxpayer account. Cases should be worked the same as accounts with TC 971 AC 524. See IRM 21.6.6.2.21.3, CP 01H Notice or Letter 12C Decedent Account Responses, for guidance.

Note: CC TRDBV will have the necessary information to identify which unpostable and reason code was used on the original return if the unpostable is no longer showing on IDRS.

Note: See IRM 21.5.5, Unpostables, and IRM 3.12.179, Individual Master File (IMF), Payer Master File (PMF) Unpostable Resolution, for complete instructions.

(2) If no return is posted and indicators exist for MFT 32, when working Form 3911, Form 1310, or other correspondence, take the following actions:

- Send 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.
- Destroy Form 3911 and Form 1310 as classified waste. See IRM 21.5.1.4.10, Classified Waste.
- Close your case.
- For additional information on refund inquiries, see IRM 21.4.2, Refund Trace and Limited Payability, and IRM 21.4.3, Returned Refunds/Releases.

IRM 21.4.1.4.1.2.6(5) - Updated timeframe from 21 days to normal processing time frame, and updated web address to check current operational status, removing reference to COVID-19.

(5) Prior Campus closures have caused delays in ERS/Rejects, these delays include tax year 2022 returns, 2021 returns that need review or correction and late filed prior year returns. If the taxpayer is calling to check on the status of their refund apologize for the delay. Advise the taxpayer this work does not typically require us to correspond with taxpayers, but it does require special handling by an IRS employee, so in these instances it is taking the IRS more than the normal processing time frame to issue any related refund. Do not advise the taxpayer to resubmit the requested information. 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.

Note: If the taxpayer inquires how long they will need to wait for resolution of a tax return filed in 2022, 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.

IRM 21.4.1.4.1.2.6(9) - Updated to include procedures for ERS status 333 and -E freeze on account.

(9) ERS status **321/322/323/324**: no reply or an incomplete reply has been received. Generally, the Reject Unit will work the case without the requested information 10 business days after the suspense period has expired.

Note: If both ERS status 333 and a -E freeze are on the account, see IRM 21.5.6.4.10, -E freeze.

If	Then
The taxpayer has responded to the correspondence	<ol style="list-style-type: none">1. Confirm the taxpayer responded to the requested information by verifying paragraphs used in the letter.2. If they have, advise to allow up to 60 days from the date they sent their reply for it to be worked. Include a history item on AMS with this information.3. If the taxpayer calls back, after allowing 60 days from the date they sent their reply, prepare Form 4442 and fax to ERS/Rejects. See fax/EEFax numbers in (14) below.

	<ol style="list-style-type: none"> 4. If the taxpayer calls back after the referral has been sent refer to (15) and (16) below as appropriate.
If the taxpayer has not responded or received the correspondence and you can determine the cause for the condition	<ol style="list-style-type: none"> 1. Advise the taxpayer to provide the information using the ERS/Rejects address/fax chart in (14) below. 2. If they have, advise to allow up to 60 days from the date they sent their reply for it to be worked. Include a history item on AMS with this information. 3. If the taxpayer calls back, after allowing 60 days from the date they sent their reply, prepare Form 4442 and fax to ERS/Rejects. See fax/EEFax numbers in (14) below. 4. If the taxpayer calls back after the referral has been sent refer to (15) and (16) below as appropriate.
If the taxpayer has not responded or received the correspondence and you cannot determine the cause for the condition	<ol style="list-style-type: none"> 1. Prepare Form 4442/e-4442 and fax to the appropriate ERS/Reject Unit. See fax/EEFax numbers in (14) below. 2. Provide the 10 week processing time frame to receive a notice or their refund. 3. If the taxpayer calls back after the referral has been sent refer to (15) and (16) below as appropriate.

IRM 21.4.1.4.1.2.6(14) -Updated to correct FLC 76 as only electronically received.

(14) Use the following chart when advising the taxpayer to send/re-send the requested information to ERS/Rejects. Use the numbers below for any ERS/Rejects status requiring a fax/EEFax. Use CC ERINV to determine the correct FLC to match up with the fax number. If the FLC is not listed below, refer to Document 6209, to determine the appropriate ERS/Reject Unit.

Note: Advise the taxpayer to include a copy of the letter. If the letter was not received or lost, advise the taxpayer to provide a letter of explanation and include their TIN.

ERS/Rejects File Location Codes Addresses and Fax Numbers		
Common FLC	Address	Fax Number
18, 20, 21, 53, 71 Paper Returns	Internal Revenue Service 3651 South Interregional Highway 35 Stop 6126 Austin, TX 78741 Attn: SP Rejects Team	855-204-5020
75, 76 MeF Returns	Internal Revenue Service 3651 South Interregional Highway 35 Stop 6126 Austin, TX 78741 Attn: SP Rejects Team	844-254-2836
07, 09, 10, 36, 43, 89, 99 Paper Returns	Internal Revenue Service 333 West Pershing Road Stop 6120 N-1 Kansas City, MO 64108-4302 Attn: SP Rejects Team	855-892-7588
14, 16, 70, 79 MeF Returns	Internal Revenue Service 333 West Pershing Road Stop 6120 N-1 Kansas City, MO 64108-4302 Attn: SP Rejects Team	844-254-2834
11, 17, 29, 49 Paper Returns	Internal Revenue Service 1973 N Rulon White Boulevard Stop 6121 Ogden, UT 84404 (For certified mail, use 84201) Attn: SP Rejects Team	855-309-9361
30, 32, 80, 90 MeF Returns	Internal Revenue Service 1973 N Rulon White Boulevard Stop 6121 Ogden, UT 84404 (For certified mail, use 84201) Attn: SP Rejects Team	844-254-2835

IRM 21.4.1.4.1.2.6(15) -Updated to advise of procedures to follow if Taxpayer Advocate Criteria is not met.

(15) If the case remains open in ERS and no apparent actions have been taken to resolve the taxpayer's inquiry, or the taxpayer is experiencing a financial hardship, refer to IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines, and IRM 13.1.7.4, Exceptions to Taxpayer Advocate Service Criteria, before referring to TAS. See IRM 21.4.1.3.1, PATH Act Refunds, for returns meeting PATH Act criteria. If Taxpayer Advocate Service criteria is not met, see IRM 21.4.1.4.1.2.6 (5).

IRM 21.4.1.4.4 -Updated to include split refund and RAC/RAL in description of if taxpayer states they did not receive a refund and created a caution to alert of need to review Bank Lead procedures prior to starting refund trace and perfected procedures for sharing RTN with taxpayer.

(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. 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.

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 Number	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 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 Business Master File (BMF), the issue/ mailing date is one day after the TC 846 date.	Advise the taxpayer to file Form 3911, Taxpayer Statement Regarding 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	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. Note: Due to timing, the account may not reflect	<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.

		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.	
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 answer is YES, initiate refund trace per IRM 21.4.2, Refund Trace and Limited Payability, if appropriate. <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</p>

			additional information first.
5	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.
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>	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	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.
7	TC 740 Undelivered Refund		See IRM 21.4.3, Returned Refunds/Releases, for resolving undelivered refunds.
8	TC 841 Returned/Stopped Refund		<ol style="list-style-type: none"> Determine cause of the refund stop Attempt to resolve issue

			<p>3. See IRM 21.5.6, Freeze Codes, for resolving freeze releases.</p> <p>Note: Refer to Exhibit 21.4.2-3, Reason for Cancellation Codes and Generated Account Information, to determine the cause of refund cancellation.</p>
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.

IRM 21.4.1.4.6 -Updated to include information regarding refund trace when an External Bank Lead is in progress.

(1) The External Leads Program is a voluntary program that allows participating financial institutions to refer to the IRS account deposits that may be questionable tax refunds. When a financial institution receives a Treasury check, refund anticipation loan or check, direct deposit, or pre-paid debit card from the Internal Revenue Service which they believe to be a questionable tax refund, the institution will issue a lead to the External Bank Leads Program. When External Leads receives the lead, they will determine if the funds should be returned to the IRS. If IRS requests that the bank return the funds, the account will be reviewed to determine if the refund should be re-issued. When the funds are returned to the IRS, this process can take several weeks. Although the lead process is in progress, you may not see a control base or credit on the account. When the External Leads employee does not request the funds be returned to the IRS, the bank will release the funds to the taxpayer and no lead will be opened. At no time during this process is the credibility of the financial institution called into question, the IRS is simply ensuring the correct refund is issued based on the tax return filed with the IRS.

Note: An institution is defined as a bank, financial institution, brokerage firm, government and law enforcement agency, state agency, tax return preparation entity or various other sources.

Reminder: The financial institution can return funds for several reasons which include but are not limited to multiple refunds being issued to the same bank account, multiple refunds for the same name being issued to multiple accounts over

the course of an extended length of time, the amount of several refunds being deposited are the exact same amount, etc.

(2) For external lead cases, if the caller states they have been told by their bank that their refund was returned to the IRS, follow the procedures in IRM 25.25.8.7, Responding to Taxpayer Inquiries. Review the account markers to determine refund status.

Note: 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".

Caution: 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.

(3) When an External Bank Lead is in progress, a refund trace cannot be input because it negatively impacts our partnership with banks that have returned funds and our ability to protect revenue. A refund trace is for locating lost/stolen refunds, an External Bank Lead where the taxpayer was advised by the financial institution the refund was returned to the IRS does **NOT** meet refund trace criteria and a refund trace should **NOT** be started. If a Form 3911 is received, and the account meets the criteria described in IRM 25.25.8.7, Responding to Taxpayer Inquiries, then update AMS Notes with the following information if found on Form 3911: name and contact information of the taxpayer, name of the financial institution, and signature date of Form 3911. **Do NOT** input a refund trace, instead follow procedures in IRM 21.5.1.4.10, Classified Waste and destroy the Form 3911. The External Bank Leads program will notify the taxpayer when or if the refund is released.

(4) Taxpayers may also call in regarding questionable refunds. If the taxpayer calls to report a questionable refund, and they have not filed a return, they may be a victim of fraudulent activity, such as a data breach, a possible scheme, or some other fraudulent activity.

(5) Ask the taxpayer for details and follow guidance based on the information provided. Different procedures apply, depending on the circumstances described by the taxpayer. Leave detailed notes in AMS. Refer to the following IRM's for guidance (list is not all inclusive).

- IRM 21.1.3.23, Scams (Phishing) and Fraudulent Schemes
- IRM 25.23, Identity Protection and Victim Assistance
- IRM 25.25.6.1.7.1, Taxpayer Protection Program (TPP) Recovery Project, procedures for taxpayers impacted by a preparer data breach scheme are included in this section.
- IRM 25.23.1.7, Taxpayers Who Are Victims of a Data Breach

(6) If a representative from a financial institution calls regarding a suspicious refund, refer them to Pub 5033, IRS EXTERNAL LEADS PROGRAM: FACT SHEET ON

SUBMITTING LEADS, for information about submitting an external lead to the IRS. If, after reviewing the publication, the representative still has questions, refer them to the contact information in the publication.

Reminder: Do not disclose specific account information unless the representative is an authorized third-party. For authentication procedures, see IRM 21.1.3.2.3, Required Taxpayer Authentication.

IRM 21.4.1.5.6 -Updated to give direction for if the taxpayer receives a refund check rather than credit election requested.

(1) A taxpayer may elect to have all, or a portion of an overpayment credited to the next year's estimated tax (ES). The "credit elect" can be recognized by TC 836 on the current year's module and TC 716 on the following year's module. Access CC REINF or CC IMFOL if there is no data on CC TXMOD.

Note: The IRS will apply the credit elect to the next year's estimated tax periods in the order necessary to avoid the addition to tax for underpayment of estimated tax. Taxpayers may request to have an overpayment credited to another year/period other than the immediately succeeding tax year or period. See IRM 20.2.4.6.2, Rules for Applying Offsets Under Section 6402, at (2) for guidance.

Note: If the taxpayer receives a refund rather than the credit being applied as credit elect, instruct the taxpayer to void the check and return it to the IRS with an explanation that the overpayment was intended to be credited (credit elect) to the next tax period. Explain to the taxpayer that if the refund is not returned, they should not claim the credit elect on their next tax period filing.

(2) When a taxpayer inquires about a refund and research shows the overpayment was applied as a credit elect for the following year, the overpayment is only refundable if any of the following apply:

- a. It was applied as a credit elect to the following year due to a processing error.
- b. The taxpayer is not liable for ES, and they erred in entering the overpayment as a credit elect.
- c. The taxpayer files a balance due superseding return and requests a credit elect reversal to satisfy the balance due. See IRM 21.4.1.5.6.1, Credit Elect Reversals, for additional information.
- d. For an individual taxpayer, the taxpayer is liable for ES payments, but proof of hardship is provided. See IRM 21.4.4.3, Why Would A Manual Refund Be Needed?

Reminder: Refer to IRM 20.2.4.8.5, Credit Elect, for instructions on payment or nonpayment of credit interest on credit elect reversals.

Caution: If none of the instances in (2) above apply, the election to have the overpayment applied as a credit elect is binding and the credit cannot be reversed.

IRM 21.4.1.5.7.1 - Updated to emphasize procedures when the bank does NOT indicate refund was returned.

(1) Routing transit number (RTN) identifies the financial institution (FI) to which the refund will be deposited. A direct deposit indicator (DD) will post with the TC 846 and can be identified on CC TXMOD or CC IMFOLT as DD:9. Taxpayers can elect DD of their refunds on their electronic or paper Individual Income Tax returns. RTN can be verified by checking IDRS CC IMFOBT.

Note: The deposit date is shown 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".

Note: The RTN for savings bonds is always **043736881**. The account number is always identified by the word "**BONDS**". If either of these is entered incorrectly, or there is a math error on the return, the savings bond purchase request will be rejected, and the refund will be issued as a paper check.

(2) Research CC IMFOBT (CC RTVUE and CC TRDBV can also be used) for the exact RTN and account numbers to verify they match the taxpayer's information.

Reminder: Direct deposit refunds are held one week if this is a first time filer, or the first time the current last name is being used, or the taxpayer has not filed a return in the past 10 years.

Note: If either routing or account numbers provided by the taxpayer differ from those on the return, provide the account information shown for the taxpayer's refund deposit. Use the link in Exhibit 21.4.1-2, Most Common Banks That Offer Refund Transfer Products (RAL/RAC), to find the financial institution (FI) contact information. Provide the FI contact information and advise the taxpayer to immediately contact the FI. IRS employees cannot change the routing or account numbers. If the direct deposit is rejected by the financial institution, a paper check will normally be issued within 4 weeks from the RFND-PAY-DATE located below the TC 846 date of the direct deposit refund. Add 1 week to this for mail delivery, and the taxpayer should have the check within 5 weeks.

Example: The TC 846 date for a direct deposit is 03/21/2019. The actual direct deposit date, as indicated by the RFND-PAY-DATE field below the TC 846, is 03/07/2019. If the direct deposit is rejected, the refund check should be delivered by 04/11/2019.

(3) Taxpayer inquiries concerning direct deposit will be treated as any other refund inquiry.

Exception: Refunds issued through a Refund Advance Product (RAL/RAC) have special procedures. For more information see paragraph (7) below.

(4) If one of the following conditions occur during the initial return processing, Master File will issue (if applicable) two direct deposits if both refunds are issued in the same processing year:

- Unallowable condition on original return usually a -Q Freeze.
- Refund cancellation freeze, TC 841 with block series 777 and serial number 98 or 99.
- Math error condition when partial refund is issued.
- Credit elect reversal (TC 832).

Note: The computer will allow two direct deposits (TC 846) in the same processing year regardless of a split refund. If there is a math error code on the original return, the second refund will be issued as a direct deposit and any subsequent refunds will be issued as a paper check. In the case of an account that has a split refund, the second direct deposit will be deposited into the last bank account listed on the Form 8888, Allocation of Refund (Including Savings Bond Purchases).

(5) If the taxpayer or their authorized third party designee indicates the RTN or account number is incorrect on the account, input TC 971 AC 850 when releasing the subsequent refund. The refund will then be issued as a paper check to the address on the taxpayer's tax return. See IRM 21.1.3.3.1, Third Party Designee Authentication, for additional information regarding third party designees.

(6) Check RTN, account type, and the account number.

Note: If the taxpayer indicates their TIN has been misused to obtain the Economic Impact Payments, see IRM 25.23.12.4.10, Identity Theft - Economic Impact Payments (EIP).

Row Number	If	Then
1	Date of deposit is less than 5 calendar days prior.	<ol style="list-style-type: none">1. Provide the date of deposit.2. Advise taxpayer to contact the bank or financial institution.3. Advise taxpayer refund trace cannot be initiated until after 5 calendar days from the scheduled date of deposit.
2	5 or more calendar days have passed since scheduled date of deposit.	<p>Ask if the taxpayer has contacted the financial institution.</p> <ul style="list-style-type: none">• If NO - advise to do so

		<ul style="list-style-type: none"> If YES - continue with the steps below
3	Taxpayer states that the bank shows no record of the deposit and it has been 5 or more calendar days since the scheduled date of deposit and the bank does NOT indicate that the refund was returned to the IRS.	<ol style="list-style-type: none"> Initiate a refund trace. Refer to IRM 21.4.2, Refund Trace/Limited Payability. <p>Caution: # [REDACTED] #</p> <p>Refer to IRM 21.5.6.4.35.3, -R Freeze Overview For Accounts With Return Integrity Verification Operations (RIVO) Involvement, or IRM 25.25.8.7, Responding to Taxpayer Inquiries, to determine if a referral (Form 4442/e-4442) is required.</p>
4	Taxpayer states that the bank has returned the deposit or states the account was closed before the refund was deposited which will also result in the bank returning the deposit.	<ol style="list-style-type: none"> Do not initiate a refund trace. Advise the taxpayer of the following: <ul style="list-style-type: none"> It will take approximately 3 weeks for the IRS to receive the funds back from the bank and can be identified by TC 841. Once the funds are received back from the bank, the refund will be reissued in the form of a paper check. Taking into account the mail delivery time, the taxpayer should receive their paper check within 5 weeks from the RFND-PAY-DATE of the original TC 846. If their paper check is not received within 5 weeks from the date of the TC 846, the taxpayer should contact us again and a refund trace will be initiated. <p>Caution: If research indicates Direct Deposit Reject Reason Code 58 or 59, the direct deposit was rejected due to a name mismatch. Advise the taxpayer of the additional 10-week time frame from the date of the rejection. See IRM 21.4.1.5.8.1, Direct Deposit Reject Reason Codes, for additional information. Refer the taxpayer to the Form 1040 instructions or IRS.gov "Get</p>

		Your Refund Status" page for information on direct deposit rules.
5	The refund was direct deposited into the wrong account because an IRS employee did not timely input a TC 971 AC 850 when required.	<ol style="list-style-type: none"> 1. Do not initiate a refund trace. 2. Input a TC 971 AC 850 if not already on the account. 3. Prepare a referral. Request that the bad refund be moved to the 1545 account and that a manual refund be issued to the SSN owner. See IRM 25.23.12.4.1, Telephone Inquiries Regarding Identity Theft Victim Assistance (IDTVA)Tax-Related Cases, for further guidance.

Note: If the taxpayer closes the bank account before the second direct deposit, the refund will be returned via the Automated Clearing House (ACH) file to BFS. BFS will return the credit to the IRS to post to the taxpayer's account.

(7) If the refund is in the form of a Refund Advance Product (RAL/RAC), taxpayer must be referred to the financial institution (FI) or Tax Return Preparer. Bank account numbers for RAL or RAC refunds **commonly** display the taxpayer's SSN as the last nine digits, or displays the SSN in reverse order, in the account number on CC IMFOBT. For a list of most common Refund Anticipation Loan (RAL) Financial Institutions, see Exhibit 21.4.1-2, Most Common Banks That Offer Refund Transfer Products (RAL/RAC).

- If the taxpayer states they didn't file the return that resulted in the RAL/RAC, refer to IRM 25.23.12.4, Tax-Related Identity Theft, for codes to be input and additional information. If the taxpayer indicates they were impacted by a data breach or preparer data breach, refer to IRM 21.4.1.4.6, External Leads Program or Other Questionable Refund Inquiries. See IRM 21.4.3.5.4, Returned Refund Check Procedures, for guidance to send the RAL/RAC to the IRS. Enter a narrative in AMS with the advice to the taxpayer and reason for it.
- If the taxpayer states they requested the Refund Advance Product (RAL/RAC) but did not receive the funds, they **must** be advised to contact the preparer or FI prior to initiating a trace. See IRM 21.4.1.5.7 (2), Direct Deposits - General Information, for information on RAL/RAC criteria.
- If the taxpayer states they have contacted the FI and the FI requests proof of deposit, initiate a refund trace if it has been 5 calendar days from the date of the direct deposit, see IRM 21.4.2, Refund Trace and Limited Payability. If the time frame has not been met, advise the taxpayer the IRS cannot take any action until after 5 or more calendar days have passed.
- If the taxpayer states they want to bypass the RAL or the RAC, see IRM 21.4.4, Manual Refunds, and IRM 3.17.79.6.4.2, Certifying Automated Clearing House (ACH)/Direct Deposit Hardship Refunds.

Caution: If a taxpayer requests a manual refund due to economic hardship, consider whether to refer the case to TAS. See IRM 21.1.3.18 (3), Taxpayer Advocate Service (TAS) Guidelines. See IRM 21.4.1.3.1, PATH Act Refunds, for returns meeting PATH Act criteria.

(8) If the taxpayer claims that their return preparer changed the bank RTN and/or bank account number, or altered the return in any way, see IRM 25.24.1.3, Identifying Potential RPM Issues For Telephone Assistors/Taxpayer Assistance Center (TAC) Assistors, for guidance.

(9) If the direct deposit does not pass normal pipeline validation, the refund will be issued by check. In the case of a split refund, all deposits must meet the normal pipeline validation, or the taxpayer will receive one paper check. IRM 21.4.1.5.8.1, Direct Deposit Reject Reason Codes, to determine why the direct deposit was rejected. If the refund is issued as a direct deposit and the financial institution rejects/returns the refund (e.g., invalid account number) the refund will cancel with a TC 841 blocking series 77777 and automatically reissue as a paper check. In the case of a split refund, one refund may be issued as a direct deposit and one refund may be issued as a paper check if the financial institution is rejecting the deposit.

(10) The CC "INOLES" will display a debt indicator on IDRS when one of three offset conditions exists on the account. Refer to IRM 2.3.47, Command Codes INOLE, EOGEN, and SPARQ for complete CC "INOLES" screen information.

(11) A direct deposit refund inquiry is no different than check refund inquiries. Once you establish non-receipt, follow the refund trace procedures in IRM 21.4.2, Refund Trace and Limited Payability.

IRM 21.4.1.5.7.5 -Updated to advise of procedures to follow if Advanced Child Tax Credit payment is misdirected.

(1) If the taxpayer requested but did not receive a direct deposit refund, compare the routing transit number (RTN) and the account number on the tax return to IDRS and the FS Form 150.1/TCIS.

Note: When necessary, employees must order the return to verify the direct deposit account information. Use information available through IDRS research to make the determination (i.e., use MeF data for e-filed returns, CC TRDBV, etc), prior to initiating a document request (CC ESTAB).

Note: When bank account information has been updated through Get My Payment (GMP) or other sources, the entity module is marked with a TC 971 AC 199 with "EF" in the last two positions of the MISC field. The DLN for GMP includes 99999 (GMP Bank Account information); other sources include 888XX (if XX is 77 then an Industry supplied the bank account information. If XX is 88 then BFS or Non-filer:

SSI; SSA; RRB; VA or Foreign supplied bank account information).

Note: The FS Form 150.1 is an official request from the Department of the Treasury to the bank on behalf of the taxpayer to search for the Electronic Funds Transfer. After the initial response to the FS Form 150.1, the Department of the Treasury may issue the "R06" letter to the banking institution. If the FS Form 150.1 contains a message such as, "R06 sent", "send R06" or TCIS contains notes that an R06 letter was issued, this is an indication of a suspense action at BFS. Both the FS Form 150.1 **and** the bank's response to the R06 letter must be scanned to TCIS before the case can be closed at BFS and listed on the IRS Daily Closure Report. If the FS Form 150.1 contains any of the "R06" indicators mentioned previously, **and** the account information does **not** match, continue with procedures as indicated below regardless of the "R06" indication.

(2) Follow the procedures in paragraphs (3) through (6) if information provided on the FS Form 150.1 or any contact with the bank or financial institution, does not resolve the issue for the taxpayer. Depending on the information provided by the bank on the FS Form 150.1 annotate the account as follows:

If	Input
IRS error caused the incorrect deposit	TC 971 AC 851
Preparer/taxpayer caused the incorrect deposit	TC 971 AC 852
Bank error caused the incorrect deposit	TC 971 AC 853

(3) If either the RTN, account number, and/or taxpayer name of the deposited refund does not match the information found in TCIS, IDRS or the tax return information, or if TCIS does not match IDRS and the IRS caused the error, complete the following:

- a. Issue a manual refund to the correct taxpayer as soon as possible to make the taxpayer whole and limit credit interest.

Exception: For issues arising from EIP 1 or 2 refunds, do not issue a manual refund. After completing procedures in 3b and 3c below, follow procedures in paragraph 4.

- b. Contact the financial institution (FI) by telephone and request their assistance in recovering the funds. You may provide the taxpayer's name, refund amount, the date, the routing transit number and the account number to the financial institution. If the bank recovers the direct deposit refund, request they return it to BFS through normal procedures. If the bank does not respond within 15 calendar days, contact the bank again. Allow an additional 15 calendar days for the bank to respond. If the bank does not respond, follow erroneous refund procedures in IRM 21.4.5, Erroneous Refunds.
- c. If the financial institution requests a letter from IRS before returning the funds, Refund Inquiry should send the letter in Exhibit 21.4.1-4, Bank Letter to Recover Direct Deposits, that has been approved by Chief Counsel for use by Accounts Management. It is not a "letter of indemnity", so if the bank will not

accept it, follow the guidance above to complete your case. If the bank does not respond within 15 calendar days of the letter, contact the bank by phone to determine the status of the request.

Note: IRS employees are not permitted to contact the bank to request the identity of the account owner who received the erroneous refund.

(4) Do not issue a replacement check for the first or second round of Economic Impact Payments.

- a. If the taxpayer **has** filed their 2020 tax return, follow procedures in IRM 21.6.3.4.2.14.1, Recovery Rebate Credit - Adjusting the Credit, to allow the Recovery Rebate Credit to generate a refund to the taxpayer. Then, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to reverse the EIP credit (if not done systemically).
- b. If the taxpayer **has not** filed their 2020 tax return, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to reverse the EIP credit (if not done systemically). Send a closing letter for your refund inquiry case. Include an open or floating paragraph to advise the taxpayer they will need to claim the RRC on their 2020 tax return. You may use the suggested verbiage below:
We are no longer authorized to reissue your Economic Impact Payment (EIP) 1 or 2. To receive any amount of the payment you may be entitled to, you must file a 2020 tax return and claim the Recovery Rebate Credit (RRC).
- c. Whether the taxpayer has or has not filed a 2020 tax return, if the financial institution will not return the misdirected funds, follow IRM 21.4.5.11.1, IRS Error Direct Deposit, paragraph 4, so the balance created by the EIP reversal does not negatively impact these taxpayers.

(5) Do not issue a replacement check for the third round of Economic Impact Payments.

- a. If the taxpayer **has** filed their 2021 tax return, follow procedures in IRM 21.6.3.4.2.14.1, Recovery Rebate Credit - Adjusting the Credit, to allow the Recovery Rebate Credit to generate a refund to the taxpayer. Then, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to reverse the EIP credit (if not done systemically).
- b. If the taxpayer **has not** filed their 2021 tax return, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to reverse the EIP credit (if not done systemically). Send a closing letter for your refund inquiry case. Include an open or floating paragraph to advise the taxpayer they will need to claim the RRC on their 2021 tax return. You may use the suggested verbiage below:
We are no longer authorized to reissue your Economic Impact Payment (EIP) 3. To receive any amount of the payment you may be entitled to, you must file a 2021 tax return and claim the Recovery Rebate Credit (RRC).
- c. Whether the taxpayer has or has not filed a 2021 tax return, if the financial institution will not return the misdirected funds, follow IRM 21.4.5.11.1, IRS

Error Direct Deposit, paragraph 4, so the balance created by the EIP reversal does not negatively impact these taxpayers.

(6) Do not issue a replacement check for the Advanced Child Tax Credit (AdvCTC) Payments, instead follow procedures in IRM 21.6.3.4.1.24.2.2, Reconciling Advance Child Tax Credit (AdvCTC) Payments - REFUND INQUIRY EMPLOYEES ONLY

(7) If either the RTN account number, and/or taxpayer name of the deposited refund does not match the tax return information, and the taxpayer or their representative caused the error, or the taxpayer alleges preparer misconduct, take the following actions:

- a. Contact the financial institution by telephone and request their assistance in recovering the funds. You may provide the amount, the date, the routing transit number and the account number to the financial institution. If the bank recovers the direct deposit refund, request they return it to BFS through normal procedures. If the bank does not respond within 15 calendar days, contact the bank again. Allow an additional 15 calendar days for the bank to respond. If the bank does not respond, follow procedures in (d) below.

Note: The financial institution is not required to return the funds unless it was their error that caused the deposit into the wrong account.

- b. If the financial institution complies with our request to return the credit, monitor the account for the posting of the credit and issue a manual refund if it is not released systemically. Close case when module reaches zero balance.
- c. If the financial institution requests a letter from IRS before returning the funds, Refund Inquiry should send the letter in Exhibit 21.4.1-4, Bank Letter to Recover Direct Deposits, that has been approved by Chief Counsel for use by Accounts Management. It is not a "letter of indemnity", so if the bank will not accept it, continue with the guidance directly below. If the bank does not respond within 15 calendar days of the letter, contact the bank by phone to determine the status of the request.

If the financial institution does not respond or is unable to return the credit, send a letter to the taxpayer explaining what happened to the requested direct deposit. Include the following paragraph:

SAMPLE LETTER

Our records show on DATE, your refund of \$ AMOUNT, was deposited directly into account number ACCT. NOS. at BANK NAME, as you requested on your Form 1040. Because the account number shown on your return was incorrect, you must contact the financial institution to resolve the erroneous deposit. The Internal Revenue Service does not have the authority to demand the return of the refund from the designated financial institution because the refund deposit went into the account listed on your tax return.

Note: While the IRS will conduct a trace for the disposition of the refund, the restoration of the refund to the taxpayer may become a civil matter.

Note: If return preparer misconduct is claimed, refer to IRM 25.24.1.3, Identifying Potential RPM Issues For Telephone Assistors/Taxpayer Assistance Center (TAC) Assistors, for guidance.

(8) If the RTN and account number match the return, but the taxpayer did not request direct deposit, and there are other indications that the direct deposit was diverted as a means of theft by an IRS employee or someone impersonating an IRS employee, refer the case to the Treasury Inspector General for Tax Administration (TIGTA). TIGTA will confirm receipt with the taxpayer within 10 days.

Reminder: Before referring the case to TIGTA, request the block of work to ensure this is not a "slipped block" which would indicate an IRS error. See IRM 3.14.1.6.9.7, Slipped Blocks and Mixed Data Blocks, for additional information on slipped blocks.

- a. Gather necessary information and hold for TIGTA contact. This information must include (but is not limited to) research showing the RTN, statement from the taxpayer stating they did not request a direct deposit, Form 3911, Taxpayer Statement Regarding Refund, and FS Form 150.1, and documentation of any attempts made by the taxpayer to retrieve the funds from the bank.
- b. Secure the original return and compare it with the taxpayer's information. Provide a copy to TIGTA.
- c. If the return was electronically filed, obtain a copy from the taxpayer and compare it with the transmitted return. Provide copies of both returns to TIGTA.
- d. Complete an online report at Report a Crime or IRS Employee Misconduct - U.S. Treasury Inspector General for Tax Administration (TIGTA). Select **IRS Employee Crime or Misconduct** as the issue.
- e. Provide the Hotline phone number to the taxpayer for subsequent inquiries: 800-366-4484.

Note: Current law allows BFS to replace refunds only in cases of forgery of a paper check or IRS error. The outcome of the TIGTA investigation will determine whether a replacement refund is possible or if the taxpayer will need to recover the refund through civil procedures. See items 3 and 5 in this subsection.

Note: If this is a Refund Advance Product (RAL/RAC) issue, refer taxpayer back to their Preparer.

(9) When TIGTA completes their investigation, they will reply back to the initiating Refund Inquiry Unit for proper disposition.

Note: A finding by TIGTA that the taxpayer did not receive the refund does not mean that IRS can automatically issue the taxpayer a refund. If the original refund was for

a direct deposit, BFS cannot use the Check Forgery Insurance Fund (31 USC 3343) to reissue a refund to the taxpayer. If the original refund was for a paper check, and BFS makes a forgery determination, BFS can issue a new refund check using the Check Forgery Insurance Fund. This subsequent refund does not appear on the tax account.

Note: If TIGTA determines the IRS should settle with the taxpayer, follow manual refund procedures in IRM 21.4.4.5.1, Preparation of Form 5792, IDRS Generated Refund, and procedures in IRM 21.4.5.6 (5), Category D Erroneous Refund Procedures, to satisfy the balance due created by the manual refund.