



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

2.4.43

JANUARY 29, 2025

## EFFECTIVE DATE

(01-29-2025)

## PURPOSE

- (1) This transmits revised IRM 2.4.43, IDRS Terminal Input, Command Code PINEX.

## MATERIAL CHANGES

- (1) IRM 2.4.43 Updated W&I to TS

## EFFECT ON OTHER DOCUMENTS

IRM 2.4.43, dated November 07, 2022, is superseded.

## AUDIENCE

LMSB, SB/SE, TE/GE, TS

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Chief Information Officer



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2.4.43

Command Code PINEX

## Table of Contents

2.4.43.1 Program Scope and Objectives

2.4.43.1.1 Background

2.4.43.1.2 Authority

2.4.43.1.3 Responsibilities

2.4.43.1.4 Program Management and Review

2.4.43.1.5 Program Controls

2.4.43.1.6 Terms/Definitions/Acronyms

2.4.43.1.7 Related Resources

2.4.43.2 Overview of Command Code PINEX (CP 569)

2.4.43.3 Terminal Responses — CC PINEX

Exhibits

2.4.43-1 CC-PINEX — Input Screen

2.4.43-2 CC-PINEX — Response Screen (for non errors)



## 2.4.43.1 (01-29-2025) Program Scope and Objectives

- (1) CC PINEX is used to request a notice (CP 569) containing explanations of selected penalties and/or interest on a tax module residing on the Taxpayer Information File (ITIF and BTIF only).
- (2) **Purpose:** This IRM contains the resource guide for using IDRS command code PINEX to calculate accrued interest and penalties.
- (3) **Audience:** LB&I, SB/SE, TE/GE, TS.
- (4) **Policy Owner:** The Chief Information Officer (CIO) is responsible for overseeing all aspects of our systems that operate the nation's tax infrastructure.
- (5) **Program Owner:** Account Services, which is under the Director, Internal Management
- (6) **Primary Stakeholders:** Taxpayer Services (TS), Large Business and International (LB&I), Small Business Self-Employed (SB/SE), Tax Exempt and Government Entities (TE/GE), and Enterprise Operations (EOPS)
- (7) **Program Goals:** This IRM provides the fundamental knowledge and procedural guidance for employees who work penalty and interest responses on IDRS. By following the processes and procedures provided by this IRM, employees will process taxpayer penalty explanation notice requests in a manner that follows IRS policy and procedures while promoting the best interests of the Government.

## 2.4.43.1.1 (01-01-2023) Background

- (1) Command Code PINEX was developed to provide taxpayers the notice CP 569 to explain various penalties and interest imposed by the Internal Revenue Code (IRC).

## 2.4.43.1.2 (01-01-2023) Authority

- (1) **IRM 20.1**, Penalty Handbook, provides guidance to all areas of the IRS for all civil penalties imposed by the Internal Revenue Code (IRC). It sets forth general policy and procedural requirements for assessing and abating penalties, and it contains discussions on topics such as criteria for relief from certain penalties.

## 2.4.43.1.3 (01-01-2023) Responsibilities

- (1) The Director, Business Support, is the director responsible for the servicewide civil penalty program.
- (2) The Director, Internal Management, is the director responsible for the IDRS Command Code.
- (3) Overall responsibility for civil penalty programs is assigned to OSP. OSP is a matrix organization residing in the Business Support (Small Business/Self Employed) Function. OSP is charged with coordinating policy and procedures concerning the civil penalty program administration, ensuring consistency with the penalty policy statement, reviewing and analyzing penalty information, researching penalty effectiveness on compliance trends, and determining appropriate action necessary to promote voluntary compliance.
- (4) Each and every taxpayer has a set of fundamental rights when dealing with IRS as provided in the Taxpayer Bill of Rights (TBOR). All employees handling penalty cases must do so in accordance with the TBOR as listed in **IRC 7803(a)(3)**. The TBOR can also be found at Taxpayer Bill of Rights on [irs.gov](http://irs.gov)

2.4.43.1.4  
(01-01-2023)  
**Program Management  
and Review**

- (1) Every function in the IRS has a role in proper penalty administration. It is essential that each function conduct its operations with an emphasis on promoting voluntary compliance. Appropriate business reviews should be conducted to ensure consistency with the penalty policy statement (**Policy Statement 20-1**) and philosophy. Attention should be directed to penalty program coordination between offices and functions to make sure that approaches are consistent and penalty information is used for identifying and responding to compliance problems.

2.4.43.1.5  
(01-01-2023)  
**Program Controls**

- (1) SACS controls all the IDRS user accesses and permissions.

2.4.43.1.6  
(01-01-2023)  
**Terms/Definitions/  
Acronyms**

- (1) Commonly used acronyms used within this IRM

**Acronyms**

Acronym	Definition
PINEX	Penalty and Interest Notice Explanation
ITIF	Individual Taxpayer Information File
BTIF	Business Taxpayer Information File
FTD	Failure to Deposit

2.4.43.1.7  
(01-01-2023)  
**Related Resources**

- (1) IRM 20.1.1, Penalty Handbook, Introduction and Penalty Relief
- (2) 2.3.29 - IDRS Terminal Responses - Command Codes INTST, ICOMP, and COMPA
- (3) 2.3.40 - IDRS Terminal Responses - Command Code PICRD
- (4) 2.3.43 - IDRS Terminal Response - Command Code PIFTF
- (5) 2.3.44 - IDRS Terminal Responses - Command Code PIVAR

2.4.43.2  
(01-01-2015)  
**Overview of Command  
Code PINEX (CP 569)**

- (1) CC PINEX is used to request a notice (CP 569) containing explanations of selected penalties and/or interest on a tax module residing on the Taxpayer Information File (ITIF and BTIF only). The ability to delete a request for a previous notice is also available with CC PINEX.

**Note:** All notices will be returned to the IRS requesters for review (notices must be reviewed prior to sending a notice to taxpayer). Explanations of FTD Penalty will be suppressed on PINEX Notices. Requests made through Command Code PINEX will be ignored. If the terminal operator places an "X" by the FTD menu item, PINEX will consider it a blank.

- (2) CC PINEX has two definers: F and M. To request a PINEX notice, several steps are involved using each of the definers.

- a. The tax module ID is input with definer " F".
  - b. These elements are validated and the valid screen response will return the menu format (PINEXM) for the operator to select the type of penalty/ interest explanation to be printed on the notice.
  - c. To select an item, the "-" character before the literal must be overlayed with an "X".
  - d. The menu items on the screen format with definer "M" are validated and the screen response will be displayed on screen line 24.
- (3) When the notice is requested and the full tax module is on the TIF, command code PINEX generates a record to cause the notice to be created during IDRS daily processing. The PINEX batch runs will update the Notice History Section on the TIF tax module. This is done so the weekly IDRS TDA analysis program can determine whether to delay a TDA notice. If there is no tax module present on the TIF, command code PINEX will create a dummy tax module and generate a TC902 to go to the master file. In these cases the PINEX Notice will not be automatically generated. It must be rerequested after the master file update reaches the TIF (usually in two to three weeks). Use CC TXMOD to determine when the account has been updated and is no longer a dummy tax module.
- (4) When deleting a previous request, the type of notice (requester) and the exact penalty/interest items selected on the original request must be entered on the screen. A specially coded tickler record is generated to match up, during End of Day processing, with the original request to "delete". For cases in which command code PINEX originally established a dummy tax module, the "delete" request will not be processed. For cases in which the full tax module was present when the original request was made, the "delete" request must be made during the same day as the original request.
- (5) The following types of interest and penalty explanations can be selected for the PINEX Notice. In the case of items (m) and (n) below, only a paragraph will be printed on the notice if it's selected, no computation breakdown will be printed.
  - a. All Penalties and Interest
  - b. Debit Interest
  - c. Credit Interest
  - d. Failure to Pay Penalty
  - e. Failure to File Penalty
  - f. Estimated Tax Penalty
  - g. Failure to Deposit Penalty
  - h. Fraud Penalty
  - i. Negligence Penalty
  - j. Bad Check Penalty
  - k. Unreported Tip Income Penalty
  - l. Late Filing Penalty (Also called Daily Delinquency Penalty. Penalty is on BTIF only.)
  - m. Alimony Tin Penalty
  - n. Failure to Provide Info on 1065 / 1120
- (6) When transmitting a screen, the entry code must be placed on the screen after all the input data or unpredictable results may occur. For PINEXM screen, placing the entry code after data on line 21 is recommended.

2.4.43.3  
(01-01-2005)**Terminal Responses —  
CC PINEX**

- (7) Normally, for each request, the PINEXF screen should be the first step. However, as long as the penalty/interest items to be selected are the same as the previous request and the notice function is not changing from a deletion or to a deletion, the PINEXM screen can be used again. The operator may change the module ID data and inquiry date on the PINEXM screen and re-enter the screen.
- (1) **INVALID CC/DEFINER-ONLY F OR M ARE VALID**— A command code definer other than F or M has been input.
- (2) **INVALID TIN** — The requested TIN does not meet the standard validity criteria or is not IMF or BMF.
- (3) **INVALID MFT** — The requested MFT code does not meet the standard validity criteria.
- (4) **MFT 13/55 INVALID FOR PINEX**— Civil penalties (MFT13, MFT55) are not explained or displayed by the PINEX System.
- (5) **MFT40/42/46/68/74/76 INVALID FOR PINEX**—MFTs 40, 42, 46, 68, 74 & 76 will not be explained or displayed by the PINEX System.
- (6) **MFT 15 FOR TAX PERIODS 199012 AND SUBSEQUENT WITH FTF AND/OR FTP INVALID FOR PINEX**— Self explanatory.
- (7) **IINCONSISTENT MFT/TIN**— The MFT code input is inconsistent with the type of account input.
- (8) **INVALID TXPD** — The tax period input does not meet the standard validity criteria.
- (9) **INCONSISTENT TXPD/MFT**— The tax period input is inconsistent with the MFT input.
- (10) **TAX PERIOD 198212 AND PRIOR INVALID FOR PINEX** — Any tax period 198212 and earlier is invalid for command code PINEX. If MFT is 52, the check is made against the date of death since the tax period is all zeros.
- (11) **INVALID NAME CONTROL** — The name control input does not meet the standard validity criteria.
- (12) **INVALID INQUIRY DATE** — The date input does not meet the standard validity criteria.
- (13) **INQUIRY DATE IN EXCESS OF 120 DAYS PRIOR TO INPUT DATE INVALID**— Inquiry date greater than 120 days earlier than input (current) date has been input.
- (14) **INQUIRY DATE LATER THAN INPUT DATE INVALID**— Inquiry date later than the input (current) date has been input.
- (15) **EMPLOYEE NUMBER REQUIRED INPUT** — For the delete request function, the employee number of the original requester must be entered.
- (16) **INVALID EMPLOYEE NUMBER**— The employee number input does not meet the standard validity criteria.



- (17) **INVALID XREF-TIN** —The requested XREF-TIN does not meet the standard validity criteria or is not IMF or BMF.
- (18) **INCONSISTENT XREF-TIN/FS-CD** — The XREF- TIN input is inconsistent with the FS-CD input.
- (19) **ACCOUNT NOT ON TIF** — The delete function was requested and the requested TIN does not match an account on file.
- (20) **PINEX REQUEST NOT MADE WITHIN LAST 3 WEEKS** — The delete function has been requested and it has been more than 3 weeks since the original request was made. There is a dummy module and the Action History Record has an Activity Code of "PINEXR-902".
- (21) **REQUESTED TIN MATCHES MEMO ACCOUNT ON TIF** — The requested TIN matches a memo account—no further processing.
- (22) **REQUESTED TXPD MATCHES MEMO MODULE ON TIF** — The requested TIN, MFT and tax period matches a memo module no further processing.
- (23) **REQUEST ALREADY MADE ON date BY EMPLOYEE employee #**— The input TIN, MFT and Tax Period matches a dummy account or a dummy tax module. A request for a PINEX Notice has already been made.
- (24) **TAX MODULE NOT ON TIF**— The delete function has been requested and there is no tax module for the requested TIN, MFT and tax period.
- (25) **INVALID FUNCTION REQUESTED. ENTER R OR D** — The type of notice being requested must be entered on line 1. Enter "R" for notice to be sent to the IRS Requester. Enter "D" for request to delete a previous "R" request.
- (26) **INVALID REQUEST-EXPLANATION ITEM NOT PRECEDED BY AN X, -, or BLANKS** — There is a character other than "X", "-", or blanks preceding a menu item. Replace it with an "X" or blank as appropriate.
- (27) **AT LEAST ONE MENU ITEM MUST BE SELECTED. ENTER X BY THE EXPLANATION WANTED.** — There is no "X" preceding any of the menu items.
- (28) **NAME CONTROL ENTERED DOES NOT MATCH NAME CONTROL ON TIF ACCOUNT** — The name control on the basic entity module (TIF section TIF-00) must match the input name control.
- (29) **ACCOUNT NOT ON TIF-TC 902 GENERATED : SEE PINEX IRM(2.4.43) FOR FURTHER INSTRUCTIONS** — The type of notice requested is for IRS requester (R), a dummy account was created, a TC 902 was generated to master file and a PINEX- MF-REQ-REC was generated to the PINEX-MF-REQ-FILE. Automatic notice will **not** be generated for this account.
- (30) **REQUESTED TIN MATCHES DUMMY ACCOUNT ON TIF TC 902 GENERATED : SEE PINEX IRM 2.4.43 FOR FURTHER INSTRUCTIONS** — The requested TIN matches a dummy account. No request for a PINEX Notice has previously been made; a TC 902 is generated to Master File and a PINEX- MF-REQ-REC is generated to the PINEX-MF-REQ-FILE. Automatic notice will **not** be generated for this account.
- (31) **TAX MODULE NOT ON TIF-TC 902 GENERATED : SEE PINEX IRM 2.4.43 FOR FURTHER INSTRUCTIONS** — The type of notice requested is for IRS requester (R) and the requested TIN, MFT and tax period do not match a tax

module on the TIF. A dummy tax module is established; a TC 902 is generated to master file and a PINEX-MF-REQ-REC is generated to the PINEX-MF-REQ-FILE. Automatic notice will **not** be generated for this account

- (32) **REQUEST COMPLETED** — Valid and completed response to CC PINEX. There was a full tax module on the TIF and a record was generated to create or delete (as appropriate) a notice in the daily processing.
- (33) **REQUEST MATCHES DUMMY MODULE ON TIF-TC 902 GENERATED : SEE PINEX IRM 2.4.43 FOR FURTHER INSTRUCTIONS** — The type notice requested is for IRS requester (R) and the requested TIN, MFT and tax period matches a dummy tax module on which a PINEX Notice has not previously been requested. The ACTION-HIST-REC (TIF section TIF-71) is updated; a TC 902 is generated to the master file and a PINEX-MF-REQ-REC is generated to the PINEX-MF-REQ-FILE. Automatic notice will **not** be generated for this account
- (34) **THERE IS NO DATE OF DEATH ON MODULE** — Self explanatory.
- (35) **BMF ACCESS RESTRICTED** — An attempt has been made by the user to access a BMF account. User is not profiled to access this type of account.
- (36) **IMF ACCESS RESTRICTED** — An attempt has been made by the user to access an IMF account. User is not profiled to access this type of account.
- (37) **TIF INDICATES THERE IS CAF DATA FOR THE MODULE, HOWEVER CAF DATA IS MISSING OR INCOMPLETE, PLEASE CONTACT CAF/POA UNIT** — Self explanatory.
- (38) **TIF INDICATES THERE IS RAF DATA FOR THE MODULE, HOWEVER RAF DATA IS MISSING OR INCOMPLETE, PLEASE INVESTIGATE** — Self explanatory.

Exhibit 2.4.43-1 (01-01-2002)

CC-PINEX — Input Screen

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	
	1234567890123456789012345678901234567890123456789012345678901234567890								
1	PINEXFnnn-nn-nnnnv								1
2	nn yyyymm vvvv								2
3	mmddyyvv								3
4	nnnnnnnnnn								4
5	nnn-nn-nnnnv								5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
	1234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	

**Exhibit 2.4.43-1 (Cont. 1) (01-01-2002)****CC-PINEX — Input Screen**

<b>Item</b>	<b>Line</b>	<b>POS.</b>	<b>Description</b>
1	1	1–5	COMMAND CODE — Enter PINEX
2	1	6	COMMAND CODE DEFINER — Enter “F”
3*	1	7–18	<p>EDITED TIN AND FILE SOURCE — Use Blanks if account ID is from previous command code.</p> <p>For BTIF use formats:</p> <p>nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn</p> <p>For ITIF use formats:</p> <p>nnn-nn-nnnn nnn-nn-nnnn*</p>
4*	2	1–2	MFT — valid format is blanks or nn. Standard validity checks are made.
5*	2	4–9	TAX PERIOD — The format is blanks or yyyy-mm. Standard validity checks are made.
6*	2	11–14	NAME CONTROL — The format is blanks or vvvv. Standard validity checks are made. Also, the input name control must match the name control on the TIF account.
7	3	1–8	INQUIRY DATE — This is the date of the taxpayer’s inquiry. The format is mmddyyyy. Standard validity checks are made. If it is not entered on the screen, the command code will use the System date.
8	4	1–10	REQUESTERS EMPLOYEE NUMBER — Standard validity checks are made on the employee number. If it is not entered on the screen, the command code will use the number of the employee signed on to the terminal.
9	5	1–12	<p>EDITED XREF TIN AND FILE SOURCE — The format is blanks or</p> <p>For BTIF use formats:</p> <p>nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn</p> <p>For ITIF use formats:</p> <p>nnn-nn-nnnn nnn-nn-nnnn*</p>

\*These elements may be passed from the previous command code (i.e., TXMOD, FTPIN, PICRD, PIEST, PIFTF, PIFTD, PIVAR). If they are passed from the previous command code, the screen elements must be blank.

**Exhibit 2.4.43-2 (01-01-2013)****CC-PINEX — Response Screen (for non errors)**

CC-PINEXM — Input Screen and Response Screen

	0-9		11-19		21-29		31-39		41-49		51-59		61-69		71-79	
1234567890123456789012345678901234567890123456789012345678901234567890																
1	PINEXMnnn-nn-nnnny   ENTER PINEX FUNCTION YOU ARE REQUESTING: _														1	
2	nn	yyyy	mm	vvvv		FOR NOTICE TO REQUESTER, ENTER R										2
3	mm	dd	yyyy		FOR A DELETE REQUEST, ENTER D										3	
4	nnn	nn	nnnn	v												4
5																5
6																6
7	IN THE MENU BELOW, MARK WITH X THE TYPE OF EXPLANATION TO BE PRINTED ON NOTICE														7	
8	_ ALL PENALTIES AND INTEREST														8	
9	_ DEBIT INTEREST														9	
10	_ CREDIT INTEREST														10	
11	_ FAILURE TO PAY PENALTY														11	
12	_ FAILURE TO FILE PENALTY														12	
13	_ ESTIMATED TAX PENALTY														13	
14	_ FAILURE TO DEPOSIT PENALTY														14	
15	_ FRAUD PENALTY														15	
16	_ NEGLIGENCE PENALTY														16	
17	_ BAD CHECK PENALTY														17	
18	_ UNREPORTED TIP INCOME PENALTY														18	
19	_ LATE FILING PENALTY (TC 234/238)														19	
20	_ ALIMONY TIN PENALTY														20	
21	_ FAILURE TO PROVIDE INFO ON 1065/1120														21	
22																22
23																23
24																24
1234567890123456789012345678901234567890123456789012345678901234567890																
	0-9		11-19		21-29		31-39		41-49		51-59		61-69		71-79	

**Exhibit 2.4.43-2 (Cont. 1) (01-01-2013)****CC-PINEX — Response Screen (for non errors)**

<b>Item</b>	<b>Line</b>	<b>POS.</b>	<b>Description</b>
1	1	1–5	COMMAND CODE — PINEX generated
2	1	6	COMMAND CODE DEFINER — “M” generated
3*	1	7–18	<p>EDITED TIN AND FILE SOURCE — Use blanks if account ID is from previous command code. If input on the screen, For BTIF use formats:</p> <p>nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn</p> <p>For ITIF use formats:</p> <p>nnn-nn-nnnn nnn-nn-nnnn*</p>
4*	2	1–2	MFT — Valid format is blanks or nn. Standard validity checks are made.
5*	2	4–9	TAX PERIOD — The format is blanks or yyyy-mm. Standard validity checks are made.
6*	2	11–14	NAME CONTROL — The format is blanks or vvvv. Standard validity checks are made. Also, the input name control must match the name control on the TIF account.
7	3	1–8	INQUIRY DATE — This is the date of the taxpayer’s inquiry. The format is mmddyyyy. Standard date validity checks are made. If the element is not entered on the screen, the command code will use the System date.
8	4	1–10	REQUESTER’S EMPLOYEE NUMBER — Standard validity checks are made on the employee number. If it is not entered on the screen, the command code will use the number of the employee signed on to the terminal.
9	5	1–12	<p>EDITED XREF TIN AND FILE SOURCE — The format is blanks or</p> <p>For BTIF use formats:</p> <p>nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn</p> <p>For ITIF use formats:</p> <p>nnn-nn-nnnn nnn-nn-nnnn*</p>
10	1	68	NOTICE TYPE REQUESTED CODE — Replace the “_” with a “R” or “D”. Enter “R” if requesting notice to be sent to IRS requester. Enter “D” if requesting deletion of a previous request.
11	8–12	2–3	PENALTY/INTEREST MENU ITEM CODE — Valid characters are blank, “_”, or “X”. To select an item, replace the “_” with an “X”.

**Exhibit 2.4.43-2 (Cont. 2) (01-01-2013)****CC-PINEX — Response Screen (for non errors)**

<b>Item</b>	<b>Line</b>	<b>POS.</b>	<b>Description</b>
12	24	1–80	MESSAGE TO OPERATOR — Blank or could be a message for PINEXM screen.

\*These elements may be passed from the previous command code (i.e., TXMOD, FTPIN, PICRD, PIEST, PIFTF, PIFTD, PIVAR). PINEXM screen will display the module ID data entered from the previous command code for your reference.

CC-PINEXF — Response Screen (for non errors)

CC-PINEXM — Input Screen

**Exhibit 2.4.43-2 (Cont. 3) (01-01-2013)****CC-PINEX — Response Screen (for non errors)**

ELEMENT NUMBER	LINE	POS.	ELEMENT NAME	FORMAT
8*	2	11-14	NAME-CONTROL	vvvv
9	2	31-62	Literal "FOR NOTICE TO REQUESTER, ENTER R"	
10	3	1-8	INQUIRY-DATE	mmddyyyy
11	3	31-59	Literal "FOR A DELETE REQUEST, ENTER D"	
12***	4	1-10	EMPLOYEE NUMBER	nnnnnnnnnn
13	5	1-12	XREF TIN AND FILE SOURCE	The format is Blank or For BTIF use formats: nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn For ITIF use formats: nnn-nn-nnnn nnn-nn-nnnn*
14	7	2-79	Literal "IN THE MENU BELOW, MARK WITH X THE TYPE OF EXPLANATION TO BE PRINTED ON NOTICE"	
15	8-21	3	MENU ITEM CODE	Blank, "_", or X.
16	8-21	5-36	PENALTY/INTEREST Literal	v—v
17	24	1-80	ERROR-MESSAGE	v—v

\*These elements may be passed from the previous command code (i.e., TXMOD, FTPIN, PICRD, PIEST, PIFTF, PIFTD, PIVAR).

\*\*Replace the "\_" with a "R" or "D". Enter "R" if requesting notice. Enter "D" if requesting deletion of a previous request.

\*\*\* If it is not entered on the screen, the command code will use the number of the employee signed on to the terminal.