



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.11.6

NOVEMBER 1, 2024

EFFECTIVE DATE

(01-02-2025)

PURPOSE

- (1) This transmits revised IRM 3.11.6, Returns and Documents Analysis, Data Processing (DP) Tax Adjustments.

MATERIAL CHANGES

- (1) IRM 3.11.6.1, Program Scope and Objectives:
 - a. Revised subsection to provide clarity about the SP 1040-X program. IPU 24U0572 issued 04-25-2024.
- (2) IRM 3.11.6.1., Background:
 - a. Revised subsection to provide clarity about the SP 1040-X program. IPU 24U0572 issued 04-25-2024.
- (3) IRM 3.11.6.1.2, Authority:
 - a. Paragraph (1) - Has been updated to add the Inflation Reduction Act.
- (4) IRM 3.11.6.1.5, Program Controls:
 - a. Paragraph (1) - Deleted unnecessary information.
- (5) IRM 3.11.6.1.6, Acronyms:
 - a. Paragraph (1) - Deleted unnecessary parenthetical from the table.
- (6) IRM 3.11.6.1.7, Related Resources:
 - a. Paragraph (1) - Added a link. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (3) - The CSR Guide is no longer being supported so the paragraph is being deleted. IPU 24U0861 issued 07-22-2024.
- (7) IRM 3.11.6.2, General Form 1040-X Information:
 - a. Paragraph (1) - Moved and deleted information in the note to new paragraphs 2 and 3.
 - b. Paragraph (2) - Added processing information for electronically filed returns from the deleted note in paragraph 1.
 - c. Paragraph (3) - Added processing information for paper filed returns from the deleted note in paragraph 1.
 - d. Paragraph (9) - Removed link to a deleted subsection.
 - e. Paragraph (10) - Deleted instruction found elsewhere in the IRM.
- (8) IRM 3.11.6.2.1, Processing Time Frames and Suspense Time Frames:
 - a. Paragraph (4) - Deleted 916C instruction no longer needed.
- (9) IRM 3.11.6.2.1.1, 1040-X Suspense Activity Codes:
 - a. Paragraph (1) - Deleted 916C instruction no longer needed.

- (10) IRM 3.11.6.2.2, Internal Revenue Manual (IRM) Deviations:
 - a. The entire subsection has been revised for consistency.
- (11) IRM 3.11.6.2.4, Integrated Data Retrieval System (IDRS) Access:
 - a. Changed W&I to TS. IPU 24U0957 issued 09-04-2024.
- (12) IRM 3.11.6.2.6.1, IDRS Command Codes (CC)
 - a. Paragraph (1) - Added Lead only CC.
- (13) IRM 3.11.6.2.6.1.1, CC IRPTR:
 - a. New subsection with CC IRPTR research instructions. IPU 24U0861 issued 07-22-2024.
- (14) IRM 3.11.6.2.6.2, Integrated Automation Technologies (IAT) Tools
 - a. Paragraph (2) - Removed IAT not currently being used.
- (15) IRM 3.11.6.4, Amended Return Preliminary Review:
 - a. Paragraph (2) - Updated the tax year.
- (16) IRM 3.11.6.4.3, Tax Period:
 - a. Paragraph (2) - Deleted unnecessary instruction.
- (17) IRM 3.11.6.4.5, Received Date:
 - a. Paragraph (1) - Has been updated to ensure consistent application of received date determination. IPU 23U1177 issued 12-14-2023.
 - b. Paragraph (6)- Has been updated to ensure consistent application of received date determination. IPU 23U1177 issued 12-14-2023.
- (18) IRM 3.11.6.4.6, Signature:
 - a. Paragraph (5) - Deleted instruction no longer needed.
 - b. Paragraph (8) - Updated correspondence instruction to clarify when to send a letter.
- (19) IRM 3.11.6.4.6.1, Centralized Authorization File (CAF) - Form 2848, Power of Attorney (POA) and Form 8821 (TIA) and General /Durable POA's
- (20) IRM 3.11.6.4.7, Processing Presidential Election Campaign Fund (PECF) Requests:
 - a. Paragraph (1) - Added instructions for the new tax year.
 - b. Paragraph (8) - Updated PECF dummy prep instructions to ensure consistency.
- (21) IRM 3.11.6.4.9, Cases Requiring Translation:
 - a. New subsection added to provide instructions when translation services are needed. IPU 24U0572 issued 04-25-2024.
- (22) IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150):
 - a. Paragraph (1) - Removed reference to deleted instruction. IPU 24U0219 issued 02-06-2024.
 - b. Paragraph (3) - Added suspense instruction. IPU 24U0219 issued 02-06-2024.
 - c. Paragraph (3) - Moved and revised instruction from paragraph 3 to new paragraph 7. IPU 24U0258 issued 02-14-2024.

- d. Paragraph (7) - Revised and inserted instructions from paragraph 3 into new paragraph 7. IPU 24U0258 issued 02-14-2024.
- (23) IRM 3.11.6.5.2, Form 1040 Attached to Form 1040-X:
 - a. Paragraph (3) - An additional editing instruction has been added when routing a MEFP case to be processed as an original. IPU 24U0572 issued 04-25-2024.
 - b. Paragraph (3) - Specified what to edit as a working trail.
- (24) IRM 3.11.6.5.3, Amended Form 1040 without Form 1040-X Attached:
 - a. Paragraph (1) - Updated editing instructions.
 - b. Paragraph (2) - Deleted instruction no longer needed.
- (25) IRM 3.11.6.7.1, SP 1040-X Routing When a TC 150 Isn't Present:
 - a. Paragraph (1) - A new routing condition has been added to the priority. IPU 24U0052 issued 01-05-2024.
- (26) IRM 3.11.6.7.2, SP 1040-X Routing When a TC 150 Is Present:
 - a. Paragraph (1) - A new routing condition has been added to the priority. IPU 24U0052 issued 01-05-2024.
- (27) IRM 3.11.6.7.3, Large Business and International:
 - a. This subsection has been added at the request of LB&I. IPU 24U0052 issued 01-05-2024.
- (28) IRM 3.11.6.7.4, International Return Screening:
 - a. Paragraph (3) - Deleted paragraph because dual status is already mentioned in the subsection.
- (29) IRM 3.11.6.7.5, Taxpayer Protection Program (TPP) Screening:
 - a. Revised the entire subsection to add TPP letters and routing instructions.
- (30) IRM 3.11.6.7.6, Office of Fraud Enforcement (OFE), Suspicious Case Referral Screening:
 - a. Paragraph (1) - Deleted the note and exception because the instructions are no longer needed.
 - b. Paragraph (2) - Added a research instruction.
- (31) IRM 3.11.6.7.7, Disaster Claim Screening:
 - a. The subsection has been revised to ensure consistent identification of disaster claims. IPU 24U0219 issued 02-06-2024.
 - b. Paragraph (1) - Updated to clarify how the disaster freeze codes are placed on an account. IPU 24U0957 issued 09-04-2024
 - c. Paragraph (2) - Updated to clarify how the disaster freeze codes are placed on an account. IPU 24U0957 issued 09-04-2024
 - d. Paragraph (10) - Updated the example to make it more current.
- (32) IRM 3.11.6.7.8, Carryback and Carryforward Screening:
 - a. Revised the entire subsection to split carryback and carryforward instructions into their own subsections. IPU 24U0880 issued 07-30-2024.
- (33) IRM 3.11.6.7.8.1, Carryback Claim Screening:
 - a. New subsection for carryback claim screening. IPU 24U0880 issued 07-30-2024.

- (34) IRM 3.11.6.7.8.2, Carryforward Claim Screening:
 - a. New subsection for carryforward claim screening. IPU 24U0880 issued 07-30-2024.
- (35) IRM 3.11.6.7.9, Identity Theft (IDT) Screening:
 - a. Paragraph (2) - Updated the tax year in the example.
 - b. Paragraph (7) - Updated the routing instructions.
- (36) IRM 3.11.6.7.10, Statute Review Screening:
 - a. Paragraph (6) - Statute clearance bypass year has been updated. IPU 24U0219 issued 02-06-2024.
 - b. Paragraph (1) - Updated to add the new statute year.
 - c. Paragraph (6) - Added a link.
- (37) IRM 3.11.6.7.11, Exam Case Screening:
 - a. Paragraph (3) - Removed hold code instructions and added priority code instructions for consistency with AM. IPU 24U0957 issued 09-04-2024.
- (38) IRM 3.11.6.7.12, Frivolous Claims Screening:
 - a. Paragraph (7) - Revised to ensure consistency with Policy Statement 25-4. IPU 24U0399 issued 03-13-2024.
 - b. Paragraph (2) - Deleted an instruction to simplify when to route a case.
- (39) IRM 3.11.6.7.13, Criminal Investigation (CI) Scheme Development Center (SDC) Screening:
 - a. Paragraph (2) - The routing instructions have been updated as requested by the receiving area. IPU 23U1177 issued 12-14-2023.
- (40) IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Case Screening:
 - a. Paragraph (2) - Added a new link to help with research.
 - b. Paragraph (4) - Added instructions to close the CII case.
 - c. Paragraph (7) - Deleted the instruction because it's no longer needed with the addition of paragraph 2.
- (41) IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening:
 - a. Paragraph (8) - Corrected typo in the reference title. SERP Feedback #19797. IPU 24U0683 issued 05-23-2024.
- (42) IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening:
 - a. Paragraph (1) - Deleted duplicated instruction. IPU 24U0219 issued 02-06-2024.
- (43) IRM 3.11.6.7.18, Open Case and Open Control Base Screening:
 - a. Paragraph (4) - Added an exception for certain case controls. SERP Feedback # 16770. IPU 24U0219 issued 02-06-2024.
- (44) IRM 3.11.6.7.19.3.2, Automated Collection Systems (ACS) Screening:
 - a. Paragraph (2) - Clarified routing procedures. IPU 24U0957 issued 09-04-2024.
 - b. Paragraph (3) - Clarified routing procedures. IPU 24U0957 issued 09-04-2024.

Clarified routing procedures in paragraphs. IPU 24U0957 issued 09-04-2024.

- (45) IRM 3.11.6.7.19.3.5, Automated Substitute For Return (ASFR) and Non-Filer Return (NFR) Screening:
 - a. Paragraph (5) - Deleted paper processing instruction. IPU 24U0957 issued 09-04-2024.
 - b. Paragraph (5) - Revised instruction for clarity.
- (46) IRM 3.11.6.7.20.1, Working Trail and Action Trail:
 - a. Paragraph (2) - New paragraph describing what is needed in a case not working trail and action trail when routing. IPU 24U0861 issued 07-22-2024.
- (47) IRM 3.11.6.7.20.1.3, Working Trails and Action Trails When Sending an E-fax or Secure Message:
 - a. Paragraph (1) - Updated the examples in the table. IPU 24U0861 issued 07-22-2024.
- (48) IRM 3.11.6.7.20.2, Transaction Code (TC) 971 and Action Codes:
 - a. Paragraph (2) - Added undeliverable mail to the table. IPU 24U0861 issued 07-22-2024.
- (49) IRM 3.11.6.8, 1040-X Routing Guide:
 - a. Paragraph (7) - Copied routing criteria from another subsection to ensure consistency. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (7) - Updated the table to add Claim of Right routing instructions. IPU 24U0880 issued 07-30-2024.
- (50) IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide:
 - a. Paragraph (6) - Added rerouting instructions for LB&I cases. IPU 24U0052 issued 01-05-2024.
 - b. Paragraph (6) - Added Batching to the table to ensure consistent routing. IPU 24U0861 issued 07-22-2024.
 - c. Paragraph (7) - Added instructions to complete the comments field. IPU 24U0861 issued 07-22-2024.
- (51) IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide:
 - a. Paragraph (6) - Added rerouting instructions for LB&I cases. IPU 24U0052 issued 01-05-2024.
 - b. Paragraph (6) - Added Batching and instructions for the comments field to the table to ensure consistent routing. IPU 24U0861 issued 07-22-2024.
 - c. Paragraph (7) - Added instructions to complete the comments field. IPU 24U0861 issued 07-22-2024.
- (52) IRM 3.11.6.9.3, MEFP and MEFS Accounts Management Rejected Queue:
 - a. Paragraph (1) - Updated queue number. IPU 24U0572 issued 04-25-2024.
 - b. Paragraph (1) - Updated queue number. IPU 24U0850 issued 07-17-2024.
- (53) IRM 3.11.6.10, Correspondence Procedures:
 - a. Paragraph (3) - Added instructions to specify when a case needs to be closed. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (10) - Added Letter 76C to the list. IPU 24U0861 issued 07-22-2024.
- (54) IRM 3.11.6.10.2, Spanish Correspondence:
 - a. Paragraph (5) - Updated the example to make it more current.
- (55) IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C):

- a. Paragraph (1) - Added a reminder. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (5) - Deleted unnecessary instruction. IPU 24U0861 issued 07-22-2024.
- (56) IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C and Letter 106SP):
- a. Paragraph (1) - Revised the IAT letters tool instructions. SERP Feedback #19698. IPU 24U0683 issued 05-23-2024.
- (57) IRM 3.11.6.10.6, Correspondence for Correcting a Claim (Letter 474C and 474SP):
- a. Paragraph (2) - Deleted unnecessary instruction. IPU 24U0861 issued 07-22-2024.
- (58) IRM 3.11.6.10.7 Correspondence for Requesting Credit Previously Received (Letter 76C):
- a. Paragraph (3) - The subsection has been revised because the letter was updated.. IPU 23U1177 issued 12-14-2023.
 - b. Paragraph (2) - The correspondence fill-ins have been updated for clarity. IPU 24U0957 issued 09-04-2024.
 - c. Paragraph (3) - The correspondence fill-ins have been updated for clarity. IPU 24U0957 issued 09-04-2024.
 - d. Paragraph (4) - The correspondence fill-in have been updated for clarity. IPU 24U0957 issued 09-04-2024.
 - e. Paragraph (4) - The correspondence fill-in have been updated for clarity.
- (59) IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP):
- a. Paragraph (2) - Deleted unnecessary instruction. IPU 24U0861 issued 07-22-2024.
- (60) IRM 3.11.6.10.12, Illegible Amended Return (Letter 418C):
- a. Paragraph (4) - Added table with instructions to process Letter 418C replies. IPU 24U0861 issued 07-22-2024.
- (61) IRM 3.11.6.10.13, Undelivered Correspondence:
- a. The subsection has been revised to include undeliverable mail indicator instructions. IPU 24U0399 issued 03-13-2024.
- (62) IRM 3.11.6.10.13,1 Undeliverable Mail Indicator:
- a. New subsection created to include undeliverable mail indicator instructions. IPU 24U0399 issued 03-13-2024.
- (63) IRM 3.11.6.11.1, Letter 178C Correspondence Table of Issues:
- a. Paragraph (3) - Revised for fill-in for clarity. IPU 24U0493 issued 04-08-2024.
 - b. Paragraph (3) - Revised typo in fill-in. SERP Feedback #19766. IPU 24U0683 issued 05-23-2024.
 - c. Paragraph (3) - Updated correspondence condition. IPU 24U0861 issued 07-22-2024.
 - d. Paragraph (2) - The correspondence fill-ins have been updated for clarity. IPU 24U0957 issued 09-04-2024.
 - e. Paragraph (3) - The correspondence fill-ins have been updated for clarity. IPU 24U0957 issued 09-04-2024.
- (64) IRM 3.11.6.11.2, Letter 324C Correspondence Table of Issues:
- a. Paragraph (3) - Revised for fill-in for clarity. IPU 24U0493 issued 04-08-2024.

- b. Paragraph (3) - Revised typo in fill-in. IPU 24U0683 issued 05-23-2024.
 - c. Paragraph (3) - Updated correspondence condition. IPU 24U0861 issued 07-22-2024.
 - d. Paragraph (3) - Updated correspondence conditions and fill-ins.
- (65) IRM 3.11.6.12.1, Entity Changes:
- a. Paragraph (3) - Updated reference. IPU 24U0399 issued 03-13-2024.
 - b. Paragraph (7) - Replaced a paper processing instruction. IPU 24U0861 issued 07-22-2024.
- (66) IRM 3.11.6.12.1.1, Address Changes:
- a. Paragraph (3) - Updated reference. IPU 24U0399 issued 03-13-2024.
- (67) IRM 3.11.6.12.1.2, Filing Status Changes:
- a. Paragraph (3) - Updated the table to breakout instructions into individual conditions. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (3) - Added another condition to the table for clarity. IPU 24U0957 issued 09-04-2024.
- (68) IRM 3.11.6.12.3, Form 9000, Alternative Media Preference:
- a. Paragraph (3) - Updated the tax year in the example.
- (69) IRM 3.11.6.13.3, Updating the Duplicate Taxpayer Identification Number (TIN) OnLine (DUPOL) Database:
- a. Paragraph (8) - Deleted a note with an unnecessary link. IPU 24U0861 issued 07-22-2024.
- (70) IRM 3.11.6.13.4, Command Code DDBCK (Dependent Database Check):
- a. Paragraph (7) - Added instructions from paragraph (8) to the table. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (8) - Moved instruction to paragraph (7). IPU 24U0861 issued 07-22-2024.
- (71) IRM 3.11.6.13.5.2, Change a Record:
- a. Paragraph (4) - Revised to ensure consistency with Policy Statement 25-4. IPU 24U0399 issued 03-13-2024.
- (72) IRM 3.11.6.14, Specific IMF Adjustments:
- a. Paragraph (2) - Moved CC IRPTR instructions to the new CC IRPTR subsection. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (5) - Deleted paper processing instructions. IPU 24U0861 issued 07-22-2024.
- (73) IRM 3.11.6.14.1.1, Adjusted Gross Income (AGI) - (Line 1):
- a. Paragraph (4) - Deleted paragraph because of the new subsection specific to TC 971 AC 123. IPU 24U0861 issued 07-22-2024.
- (74) IRM 3.11.6.14.1.1.1, Earned Income:
- a. Paragraph (2) - Updated the earned income list for clarity. IPU 24U0957 issued 09-04-2024.
- (75) IRM 3.11.6.14.1.1.2, Form 8606, Nondeductible IRAs (Line 1):
- a. Paragraph (4) - Deleted duplicated instruction. IPU 24U0219 issued 02-06-2024.

- (76) IRM 3.11.6.14.1.1.3, Unemployment Compensation Exclusion (UCE) - Tax Year 2020 Only (Line 1):
- a. Paragraph (2) - Updated linked reference. SERP Feedback #22176. IPU 24U0917 issued 08-14-2024.
 - b. Paragraph (3) - Updated linked reference. SERP Feedback #22176. IPU 24U0917 issued 08-14-2024.
- (77) IRM 3.11.6.14.1.1.5, Employer Provided Education Assistance (IRC 127) - (Line 1)
- a. Paragraph (1) - Added a new screening instruction. IPU 24U0861 issued 07-22-2024.
- (78) IRM 3.11.6.14.1.1.8, Student Loan Interest Deduction (Line 1):
- a. Paragraph (2) - Deleted note to avoid to add clarity to processing instructions.
 - b. Paragraph (3) - Updated table to add tax year 2024 information.
 - c. Paragraph (4) - Updated table to add tax year 2024 information.
- (79) IRM 3.11.6.14.1.1.11, Refund of State Taxes Paid-Tax Year 2022 Only:
- a. The entire subsection has been revised to consolidate instructions. IPU 24U0493 issued 04-08-2024.
- (80) IRM 3.11.6.14.1.1.12, General Welfare and Disaster Relief Payments- Tax Year 2022 Only:
- a. The entire subsection has been revised to consolidate instructions. IPU 24U0493 issued 04-08-2024.
- (81) IRM 3.11.6.14.1.1.13, East Palestine Train Derailment (EPTDR) Claims:
- a. New subsection to add processing instructions for this claim type. IPU 24U0835 issued 07-11-2024.
- (82) IRM 3.11.6.14.1.2.1, Standard Deduction:
- a. Paragraph (2) - Updated table to add tax year 2024 information.
 - b. Paragraph (3) - Updated table to add tax year 2024 information.
 - c. Paragraph (4) - Updated table to add tax year 2024 information.
- (83) IRM 3.11.6.14.2.1, Tax - Calculation of Tax Liability Methods (Line 6)
- a. Paragraph (1) - Added a routing instruction for consistency with MeF segmentation. IPU 24U0861 issued 07-22-2024.
- (84) IRM 3.11.6.14.2.2.3, Form 8863, Education Credits:
- a. Paragraph (2) - Updated table to add tax year 2024 information.
 - b. Paragraph (11) - Updated table to add tax year 2024 information.
- (85) IRM 3.11.6.14.2.2.3.2, American Opportunity Tax Credit (AOTC) - Non-refundable:
- a. Paragraph (4) - Updated reference. SERP Feedback #19348. IPU 24U0572 issued 04-25-2024.
 - b. Paragraph (6) - Added instruction to address system update. IPU 24U0861 issued 07-22-2024.
- (86) IRM 3.11.6.14.2.2.5, Credit for Other Dependents (ODC):
- a. Paragraph (4) - Added a note that Schedule 8812 is required. IPU 24U0861 issued 07-22-2024.
- (87) IRM 3.11.6.14.2.2.6, Child Tax Credit:

- a. Paragraph (4) - Revised table to reflect updated tax year instructions. IPU 24U0258 issued 02-14-2024.
 - b. Paragraph (4) - Added a note that Schedule 8812 is required. IPU 24U0861 issued 07-22-2024.
 - c. Paragraph (3) - Updated table to add tax year 2024 information, and deleted tax year 2025 information.
 - d. Paragraph (4) - Updated table to add tax year 2024 information, and deleted tax year 2025 information.
 - e. Paragraph (7) - Updated table to add tax year 2024 information, and deleted tax year 2025 information.
- (88) IRM 3.11.6.14.2.2.9, Form 3800, General Business Credit:
 - a. Paragraph (3) - Updated routing criteria for consistency. IPU 24U0448 issued 03-26-2024.
 - b. Paragraph (3) - New paragraph to add a link to EPE instructions.
- (89) IRM 3.11.6.14.2.2.9.19, Form 8936, Clean Vehicle Credits:
 - a. The subsection has been revised to ensure consistent claim processing. IPU 24U0219 issued 02-06-2024.
- (90) IRM 3.11.6.14.2.2.9.20, Elective payment Election (EPE)
- (91) IRM 3.11.6.14.2.4.3, Reconciling Advance Child Tax Credit Payments - Tax Year 2021:
 - a. Paragraph (4) - Added a new paragraph to prevent an unpostable condition. IPU 24U0287 issued 02-26-2024.
- (92) IRM 3.11.6.14.2.4.4, Schedule A (Form 8936), Clean Vehicle Credit Amount, Part II Repayment of New Clean Vehicle Credit:
 - a. New subsection to address repayment of the New Clean Vehicle Credit from Part II of Schedule A (Form 8936).
- (93) IRM 3.11.6.14.2.4.5, Schedule A (Form 8936), Clean Vehicle Credit Amount, Part IV Repayment of New Clean Vehicle Credit:
 - a. New subsection to address repayment of the New Clean Vehicle Credit from Part IV of Schedule A (Form 8936).
- (94) IRM 3.11.6.14.3.1, Federal Income Tax Withholding (Line 12):
 - a. Paragraph (2) - Updated instruction because of the new CC IRPTR subsection. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (5) - Deleted instruction because of the new TC 971 AC 123 subsection. IPU 24U0861 issued 07-22-2024.
 - c. Paragraph (6) - Revised the instruction because of the new TC 971 AC 123 subsection. IPU 24U0861 issued 07-22-2024.
- (95) IRM 3.11.6.14.3.1.1, Excess Social Security and Railroad Retirement Tax Act (RRTA):
 - a. Paragraph (2) - Updated the table to add tax year 2024 information.
- (96) IRM 3.11.6.14.3.2, Estimated Tax Payments (Line 13):
 - a. Paragraph (2) - Removed duplicate instructions and clarified processing procedures. IPU 24U0219 issued 02-06-2024.
- (97) IRM 3.11.6.14.4.4, Adjusting the Earned Income Tax Credit (EITC):

- a. Paragraph (5) - Updated the table to add tax year 2024 information.
- (98) IRM 3.11.6.14.5.1, Schedule 8812, Additional Child Tax Credit (ACTC):
- a. Paragraph (5) - Revised instruction to simplify when Schedule 8812 is required. IPU 24U0287 issued 02-26-2024.
- (99) IRM 3.11.6.14.5.2, American Opportunity Tax Credit (AOTC) Refundable Portion:
- a. Paragraph (4) - Added instruction to address system update. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (5) - Updated the table to add tax year 2024 information.
- (100) IRM 3.11.6.14.5.5, Premium Tax Credit (PTC), Form 8962
- (101) IRM 3.11.6.14.6.2, Credit Elect (Line 23):
- a. Paragraph (12) - Corrected year. IPU 24U0399 issued 03-13-2024.
 - b. Paragraph (12) - Updated the example to make it more current.
- (102) IRM 3.11.6.14.6.2.1, Credit Elect Availability Dates:
- a. Paragraph (12) - Updated the example to make it more current. Updated example. SERP Feedback #18629. IPU 24U0493 issued 04-08-2024.
- (103) IRM 3.11.6.15.1, Integrated Data Retrieval System (IDRS) Freeze Codes:
- a. Paragraph (2) - Corrected reference. IPU 24U0287 issued 02-26-2024.
- (104) IRM 3.11.6.15.2, Integrated Data Retrieval System (IDRS) Transaction Codes:
- a. Paragraph (2) - Updated direct deposit in the table. IPU 24U0861 issued 07-22-2024.
- (105) IRM 3.11.6.15.5, Reason Codes (RC):
- a. Paragraph (3) - Updated table to remove duplicate. SERP Feedback #18628. IPU 24U0493 issued 04-08-2024.
 - b. Paragraph (3) - Updated the Form 8936 reason code. IPU 24U0861 issued 07-22-2024.
 - c. Paragraph (3) - Updated the Form 8936 reason codes. SERP Feedback #22177.
 - d. Paragraph (3) - Added automated amended return adjustment to RC 099.
- (106) IRM 3.11.6.16.1, Processing Statute Cases:
- a. Paragraph (3) - Corrected instruction reference. IPU 24U0219 issued 02-06-2024.
 - b. Paragraph (3) - Removed fill-in because the verbiage is present on the letter as a required paragraph. IPU 24U0683 issued 05-23-2024.
 - c. Paragraph (4) - Revised fill-in for consistency. IPU 24U0493 issued 04-08-2024.
 - d. Paragraph (7) - Added another scenario to the table for clarity. IPU 24U0861 issued 07-22-2024.
 - e. Paragraph (2) - Deleted the table, outdated example, and outdated note from the paragraph to simplify the instruction. IPU 24U0957 issued 09-04-2024.
- (107) IRM 3.11.6.16.2, Processing a Disaster Claim:
- a. The subsection has been revised to ensure consistent identification and processing of disaster claims. IPU 24U0219 issued 02-06-2024.
 - b. Paragraph (3) - Deleted Statute criteria for consistency with AM update on 03-04-2024. IPU 24U0448 issued 03-26-2024.

- (108) IRM 3.11.6.16.4, Combat Zone:
- a. Paragraph (10) - Deleted duplicate instruction. IPU 24U0861 issued 07-22-2024.
 - b. Paragraph (8) - Updated processing instructions because of a system update. IPU 24U0957 issued 09-04-2024.
- (109) IRM 3.11.6.16.6, Math Error Response Cases:
- a. Paragraph (2) - Revised an outdated instruction. IPU 24U0861 issued 07-22-2024.
- (110) IRM 3.11.6.16.7, Inputting a Disallowance Adjustment:
- a. Paragraph (1) - Added another disallowance scenario to the table. IPU 24U0957 issued 09-04-2024.
- (111) IRM 3.11.6.16.9, Form 4442 and E-4442, Inquiry Referrals:
- a. Updated to specify referrals are to be expedited regardless of how they are received. IPU 24U0957 issued 09-04-2024.
- (112) IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7):
- a. Paragraph (4) - Deleted an old instruction fragment.. IPU 24U0572 issued 04-25-2024.
- (113) IRM 3.11.6.16.15, Computer Paragraph (CP) Notices:
- a. Paragraph (13) - Revised to reflect updates made by AM. IPU 23U1177 issued 12-14-2023.
 - b. Paragraph (6) - Added instructions to address CP notices received and there isn't a TC 150 on the account. IPU 24U0861 issued 07-22-2024.
- (114) IRM 3.11.6.16.15.1, CP08, You may qualify for Child Tax Credit (CTC), and Form 15110, Additional Child Tax credit Worksheet:
- a. Paragraph (8) - Updated because the 76C letter has been revised. IPU 23U1177 issued 12-14-2023.
- (115) IRM 3.11.6.16.15.2, CP 09, Earned Income Credit - You May Be Entitled to EIC, and Form 15111, Earned Income Credit Worksheet (CP 09):
- a. Paragraph (8) - Updated because the 76C letter has been revised. IPU 23U1177 issued 12-14-2023.
 - b. Paragraph (8) - The table in paragraph 8 has been updated to include additional processing instructions. IPU 23U1185 issued 12-15-2023.
 - c. Paragraph (8) - Added instructions from IPU 23U1185 back into this subsection. IPU 24U0052 issued 01-05-2024.
 - d. Paragraph (8) - Deleted instruction to clarify processing procedures. IPU 24U0219 issued 02-06-2024.
- (116) IRM 3.11.6.16.15.3, CP 27, EIC Potential for Taxpayer Without Qualifying Children, and Form 15112, Earned Income Credit Worksheet (CP 27):
- a. Deleted instruction to clarify processing procedures. SERP Feedback # 16337. IPU 24U0219 issued 02-06-2024.
- (117) IRM 3.11.6.16.18, Exam Soft Notices - CP 87, CP 87A, CP 87B, CP 87C, and CP 87D:
- a. Renamed the subsection and deleted CP notices that are now obsolete. IPU 24U0219 issued 02-06-2024.

IRM 3.11.6.16.19, Taxpayer Advocate Service (TAS) Cases:

- a. Paragraph (1) - Added standardized TAS verbiage.

(118) IRM 3.11.6.16.23, Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INVALID IDOC:

- a. New subsection to address cases with a TC 971 AC 123 indicator on the account. IPU 24U0861 issued 07-22-2024.

(119) IRM 3.11.6.16.24, Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INC MISMATCH:

- a. New subsection to address cases with a TC 971 AC 123 indicator on the account. IPU 24U0861 issued 07-22-2024.

(120) IRM 3.11.6.18.1, For Lead Tax Examiners - Related IRMs and Resources:

- a. Deleted the subsection and consolidated the information into the related resources subsection. IPU 24U0861 issued 07-22-2024.

(121) Editorial changes have been made throughout the IRM to:

- a. Reorganize the IRM structure without changing any substantive content or meaning. Sections flow in processing order and follow the Form 1040-X so tax examiners (TEs) can easily find needed information. During the reorganization, some subsections have been renamed.
- b. Correct spelling and grammatical errors.
- c. Add or correct references citations and links to the forms that are currently in the IRM so tax examiners can access the forms with ease.
- d. Update information more subject to frequent changes such as queue numbers, tax years, and line-items on forms for the new tax filing season.
- e. Update organizational terms, titles, and acronyms that are relevant for the 1040-X TEs.
- f. Convert graphics to text and converting text to tables so that TEs will better understand our processes.
- g. Improve the quality of an existing graphic or adding alternative text.

EFFECT ON OTHER DOCUMENTS

IRM 3.11.6, dated 11/06/2023 (effective 01/02/2024), is superseded. This IRM incorporates IRM Procedural Update (IPU): 23U1177 issued December 14, 2023, 23U1185 issued December 15, 2023, 24U0052 issued January 5, 2024, 24U0219 issued February 6, 2024, 24U0258 issued February 14, 2024, 24U0287 issued February 26, 2024, IPU 24U0399 issued March 13, 2024, IPU 24U0448 issued March 26, 2024, IPU 24U0493 issued April 08, 2024, IPU 24U0572 issued April 25, 2024, IPU 24U0863 issued May 23, 2024, IPU 24U0835 issued July 11, 2024, IPU 24U0850 issued July 17, 2024, IPU 24U0861 issued July 22, 2024, IPU 24U0880 issued July 30, 2024, IPU 24U0917 issued August 14, 2024, and IPU 24U0957 issued September 04, 2024.

AUDIENCE

Taxpayer Services Submission Processing Tax Examiners

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Taxpayer Services

3.11.6

Data Processing (DP) Tax Adjustments

Table of Contents

3.11.6.1 Program Scope and Objectives

3.11.6.1.1 Background

3.11.6.1.2 Authority

3.11.6.1.3 Roles and Responsibilities

3.11.6.1.4 Program Management and Review

3.11.6.1.5 Program Controls

3.11.6.1.6 Acronyms

3.11.6.1.7 Related Resources

3.11.6.2 General Form 1040-X Information

3.11.6.2.1 Processing Time Frames and Suspense Time Frames

3.11.6.2.1.1 1040-X Suspense Activity Codes

3.11.6.2.2 Internal Revenue Manual (IRM) Deviations

3.11.6.2.3 IRS Employees and Covered Relationships

3.11.6.2.4 Integrated Data Retrieval System (IDRS) Access

3.11.6.2.5 Document Perfection Operation (DPO) Submission Processing (SP) 1040-X Organization
Function Program (OFP) Information

3.11.6.2.5.1 Daily Work Record (DWR)

3.11.6.2.6 Systems

3.11.6.2.6.1 IDRS Command Codes (CC)

3.11.6.2.6.1.1 CC IRPTR

3.11.6.2.6.2 Integrated Automation Technologies (IAT) Tools

3.11.6.2.6.3 Correspondence Imaging Inventory (CII) Roles

3.11.6.3 Controlling Cases on the Correspondence Imaging Inventory (CII) System

3.11.6.3.1 Auto-Distribution

3.11.6.4 Amended Return Preliminary Review

3.11.6.4.1 CII Split Image Request

3.11.6.4.1.1 CII Move Image Request

3.11.6.4.2 Associating Forms, Schedules, and Other Documents to CII Cases

3.11.6.4.3 Tax Period

3.11.6.4.4 Taxpayer Identification Number (TIN)

3.11.6.4.4.1 Protecting Americans from Tax Hikes (PATH Act)

3.11.6.4.4.2 TIN requirements for Exemptions and Credits

3.11.6.4.5 Received Date

3.11.6.4.5.1 Determining Timeliness

3.11.6.4.5.2 Superseding Returns

- 3.11.6.4.5.3 Amended Claims Date
- 3.11.6.4.6 Signature
 - 3.11.6.4.6.1 Centralized Authorization File (CAF) - Form 2848, Power of Attorney (POA) and Form 8821 (TIA) and General /Durable POAs
- 3.11.6.4.7 Processing Presidential Election Campaign Fund (PECF) Requests
- 3.11.6.4.8 Updating Case Data
 - 3.11.6.4.8.1 CII Cases with an E-1 Error
- 3.11.6.4.9 Cases Requiring Translation
- 3.11.6.5 Screening Criteria for Processable Return
 - 3.11.6.5.1 Transaction Code (TC) 150 Research (No TC 150)
 - 3.11.6.5.2 Form 1040 Attached to Form 1040-X
 - 3.11.6.5.3 Amended Form 1040 without Form 1040-X Attached
 - 3.11.6.5.4 Form 1040-X without Form 1040 Attached (No TC 150)
- 3.11.6.6 Master File Verification and Math Verification Screening
 - 3.11.6.6.1 Duplicate Returns and Identical Open CII Cases
- 3.11.6.7 Sorting, Routing, and Priority Screening
 - 3.11.6.7.1 SP 1040-X Routing When a TC 150 Isn't Present
 - 3.11.6.7.2 SP 1040-X Routing When a TC 150 Is Present
 - 3.11.6.7.3 Large Business and International Screening
 - 3.11.6.7.4 International Return Screening
 - 3.11.6.7.5 Taxpayer Protection Program (TPP) Screening
 - 3.11.6.7.6 Office of Fraud Enforcement (OFE), Suspicious Case Referral Screening
 - 3.11.6.7.7 Disaster Claim Screening
 - 3.11.6.7.8 Carryback and Carryforward Screening
 - 3.11.6.7.8.1 Carryback Claim Screening
 - 3.11.6.7.8.2 Carryforward Claim Screening
 - 3.11.6.7.9 Identity Theft (IDT) Screening
 - 3.11.6.7.10 Statute Review Screening
 - 3.11.6.7.11 Examination Case Screening
 - 3.11.6.7.12 Frivolous Claims Screening
 - 3.11.6.7.13 Criminal Investigation (CI) Scheme Development Center (SDC) Screening
 - 3.11.6.7.14 Return Integrity and Verification Operation (RIVO) Case Screening
 - 3.11.6.7.15 Category A (CAT-A) Criteria Screening
 - 3.11.6.7.16 Automated Underreporter (AUR) Screening
 - 3.11.6.7.17 Accounts Management Case Screening
 - 3.11.6.7.18 Open Case and Open Control Base Screening
 - 3.11.6.7.18.1 Cases Open to an SP 1040-X Tax Examiner
 - 3.11.6.7.19 All Other Claims Screening
 - 3.11.6.7.19.1 Killed in Terrorist Action (KITA) Screening

- 3.11.6.7.19.2 Affordable Care Act and Possible Health Professional Claim Screening
- 3.11.6.7.19.3 Collection Function Case Screening
 - 3.11.6.7.19.3.1 Compliance Services Collection Operations (CSCO) Screening
 - 3.11.6.7.19.3.2 Automated Collection Systems (ACS) Screening
 - 3.11.6.7.19.3.3 Offer In Compromise (OIC) Screening
 - 3.11.6.7.19.3.4 Field Collection Case Screening
 - 3.11.6.7.19.3.5 Automated Substitute For Return (ASFR) and Non-Filer Return (NFR) Screening
- 3.11.6.7.20 Releasing Screened Returns
 - 3.11.6.7.20.1 Working Trail and Action Trail
 - 3.11.6.7.20.1.1 Working Trails and Action Trails When Reassigning a Case
 - 3.11.6.7.20.1.2 Working Trails and Action Trails When Rerouting a Case
 - 3.11.6.7.20.1.3 Working Trails and Action Trails When Sending an E-fax or Secure Message
 - 3.11.6.7.20.2 Transaction Code (TC) 971 and Action Codes
- 3.11.6.8 1040-X Routing Guide
- 3.11.6.9 1040-X Reassignment and Reroute Guides
 - 3.11.6.9.1 MEFP Reassignment and Reroute Guide
 - 3.11.6.9.2 MEFS Reassignment and Reroute Guide
 - 3.11.6.9.3 MEFP and MEFS Accounts Management Rejected Queue
 - 3.11.6.9.4 MEFP and MEFS Secure Messaging and E-fax Routing
- 3.11.6.10 Correspondence Procedures
 - 3.11.6.10.1 Multiple Correspondence Issues
 - 3.11.6.10.2 Spanish Correspondence
 - 3.11.6.10.3 Corresponding on Net Balance Due Returns (Letter 324C)
 - 3.11.6.10.4 Corresponding on Net Refund and Zero-Balance Returns (Letter 178C)
 - 3.11.6.10.5 Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP)
 - 3.11.6.10.6 Correspondence for Correcting a Claim (Letter 474C and 474SP)
 - 3.11.6.10.7 Correspondence for Requesting Credit Previously Received (Letter 76C)
 - 3.11.6.10.8 Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP)
 - 3.11.6.10.9 Correspondence for Estimated Tax Penalty (Letter 369C)
 - 3.11.6.10.10 Correspondence for Excess Social Security and Railroad Retirement Tax (Letter 404C)
 - 3.11.6.10.11 Correspondence for Dependent Documentation (Letter 3050C and Letter 3050SP)
 - 3.11.6.10.12 Illegible Amended Return (Letter 418C)
 - 3.11.6.10.13 Undelivered Correspondence
 - 3.11.6.10.13.1 Undeliverable Mail Indicator
 - 3.11.6.10.14 Correspondence Received
- 3.11.6.11 Correspondence Table of Issues, C-Letters and Paragraph Fill-ins
 - 3.11.6.11.1 Letter 178C Correspondence Table of Issues
 - 3.11.6.11.2 Letter 324C Correspondence Table of Issues

- 3.11.6.12 Updating Taxpayer Information Using CC ENMOD
 - 3.11.6.12.1 Entity Changes
 - 3.11.6.12.1.1 Address Changes
 - 3.11.6.12.1.2 Filing Status Changes
 - 3.11.6.12.1.2.1 Filing Status 2 Changes
 - 3.11.6.12.2 Schedule LEP, Request for Change in Language Preference
 - 3.11.6.12.3 Form 9000, Alternative Media Preference
- 3.11.6.13 Personal Exemption or Dependent Changes
 - 3.11.6.13.1 Revoking a Dependent's ITIN
 - 3.11.6.13.2 Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents
 - 3.11.6.13.3 Updating the Duplicate Taxpayer Identification Number (TIN) OnLine (DUPOL) Database
 - 3.11.6.13.4 Command Code DDBCK (Dependent Database Check)
 - 3.11.6.13.5 Command Code DUPED
 - 3.11.6.13.5.1 Add a Record
 - 3.11.6.13.5.2 Change a Record
 - 3.11.6.13.5.3 Delete a Record
- 3.11.6.14 Specific IMF Adjustments
 - 3.11.6.14.1 Income and Deductions Line 1 through Line 5
 - 3.11.6.14.1.1 Adjusted Gross Income (AGI) - (Line 1)
 - 3.11.6.14.1.1.1 Earned Income
 - 3.11.6.14.1.1.2 Form 8606, Nondeductible IRAs (Line 1)
 - 3.11.6.14.1.1.3 Unemployment Compensation Exclusion (UCE) - Tax Year 2020 Only (Line 1)
 - 3.11.6.14.1.1.4 Notice 2014-7, Qualified Medicaid Waiver Payments and Difficulty of Care Payments
 - 3.11.6.14.1.1.5 Employer Provided Education Assistance (IRC 127) - (Line 1)
 - 3.11.6.14.1.1.6 Military Family Relief Act (MFRA) (Line 1)
 - 3.11.6.14.1.1.7 Form 8917, Tuition and Fees Deduction - Tax Year 2020 and Prior (Line 1)
 - 3.11.6.14.1.1.8 Student Loan Interest Deduction (Line 1)
 - 3.11.6.14.1.1.9 Form 3903, Moving Expenses (Line 1)
 - 3.11.6.14.1.1.10 Form 2106, Employee Business Expenses (Line 1)
 - 3.11.6.14.1.1.11 Refund of State Taxes Paid - Tax Year 2022 Only
 - 3.11.6.14.1.1.12 General Welfare and Disaster Relief Payments - Tax Year 2022 Only
 - 3.11.6.14.1.1.13 East Palestine Train Derailment (EPTDR) Claims
 - 3.11.6.14.1.2 Standard and Itemized Deductions (Line 2)
 - 3.11.6.14.1.2.1 Standard Deduction
 - 3.11.6.14.1.2.1.1 Non-itemized Charitable Contribution - Tax Years 2020 and 2021 Only
 - 3.11.6.14.1.2.2 Itemized Deductions (Line 2)
 - 3.11.6.14.1.3 Line 4a
 - 3.11.6.14.1.4 Qualified Business Income Deduction (Line 4b)
 - 3.11.6.14.1.5 Taxable Income (Line 5)

3.11.6.14.2 Tax Liability

3.11.6.14.2.1 Tax - Calculation of Tax Liability Methods (Line 6)

3.11.6.14.2.1.1 Form 6251, Alternative Minimum Tax

3.11.6.14.2.2 Nonrefundable Credits - Line 7

3.11.6.14.2.2.1 Form 2441, Credit for Child and Dependent Care Expenses

3.11.6.14.2.2.2 Schedule R, Credit for the Elderly or the Disabled

3.11.6.14.2.2.3 Form 8863, Education Credits

3.11.6.14.2.2.3.1 Lifetime Learning Credit (LLC)

3.11.6.14.2.2.3.2 American Opportunity Tax Credit (AOTC) - Non-refundable

3.11.6.14.2.2.4 Form 8880, Credit for Qualified Retirement Savings Contributions

3.11.6.14.2.2.5 Credit for Other Dependents (ODC)

3.11.6.14.2.2.6 Child Tax Credit (CTC)

3.11.6.14.2.2.7 Form 8396, Mortgage Interest Credit

3.11.6.14.2.2.8 Form 5695, Residential Energy Credits

3.11.6.14.2.2.9 Form 3800, General Business Credit

3.11.6.14.2.2.9.1 Form 3468, Investment Credit

3.11.6.14.2.2.9.2 Form 5884, Work Opportunity Credit

3.11.6.14.2.2.9.3 Form 6478, Biofuel Producer Credit

3.11.6.14.2.2.9.4 Form 6765, Credit for Increasing Research Activities

3.11.6.14.2.2.9.5 Form 8586, Low-Income Housing Credit

3.11.6.14.2.2.9.6 Form 8820, Orphan Drug Credit

3.11.6.14.2.2.9.7 Form 8826, Disabled Access Credit

3.11.6.14.2.2.9.8 Form 8834, Qualified Plug-in Electric and Electric Vehicle Credit

3.11.6.14.2.2.9.9 Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit

3.11.6.14.2.2.9.10 Form 8864, Biodiesel and Renewable Diesel Fuels Credit

3.11.6.14.2.2.9.11 Form 8874, New Markets Credit

3.11.6.14.2.2.9.12 Form 8881, Credit for Small Employer Pension Plan Startup Costs and Auto-Enrollment

3.11.6.14.2.2.9.13 Form 8882, Credit for Employer Provided Childcare Facilities and Services

3.11.6.14.2.2.9.14 Form 8896, Low Sulfur Diesel Fuel Production Credit

3.11.6.14.2.2.9.15 Form 8900, Qualified Railroad Track Maintenance Credit

3.11.6.14.2.2.9.16 Form 8907, Non-conventional Source Fuel Credit

3.11.6.14.2.2.9.17 Form 8910, Alternative Motor Vehicle Credit

3.11.6.14.2.2.9.18 Form 8911, Alternative Fuel Vehicle Refueling Property Credit

3.11.6.14.2.2.9.19 Form 8936, Clean Vehicle Credits

3.11.6.14.2.2.9.20 Elective Payment Election (EPE)

3.11.6.14.2.3 Line 9

3.11.6.14.2.4 Line 10 - Other Taxes

3.11.6.14.2.4.1 Additional Tax on Early Distribution - Form 5329 and Form 1099-R (Line 10)

- 3.11.6.14.2.4.2 Self-Employment (SE) Tax (Line 10)
 - 3.11.6.14.2.4.2.1 Self-Employment Tax Deferral - Tax Year 2020
 - 3.11.6.14.2.4.3 Reconciling Advance Child Tax Credit Payments - Tax Year 2021
 - 3.11.6.14.2.4.4 Schedule A (Form 8936), Clean Vehicle Credit Amount, Part II Repayment of New Clean Vehicle Credit
 - 3.11.6.14.2.4.5 Schedule A (Form 8936), Clean Vehicle Credit Amount, Part IV Repayment of New Clean Vehicle Credit
- 3.11.6.14.2.5 Total Tax (Line 11)
- 3.11.6.14.3 Payments
 - 3.11.6.14.3.1 Federal Income Tax Withholding (Line 12)
 - 3.11.6.14.3.1.1 Excess Social Security and Railroad Retirement Tax Act (RRTA)
 - 3.11.6.14.3.2 Estimated Tax Payments (Line 13)
- 3.11.6.14.4 Earned Income Credit (EIC) - Line 14
 - 3.11.6.14.4.1 Earned Income Tax Credit (EITC) Eligibility Criteria
 - 3.11.6.14.4.2 Taxpayer without Qualifying Child(ren) on Schedule EIC
 - 3.11.6.14.4.3 Taxpayer with Qualifying Child(ren) on Schedule EIC
 - 3.11.6.14.4.4 Adjusting the Earned Income Tax Credit (EITC)
- 3.11.6.14.5 Refundable Credits - Line 15
 - 3.11.6.14.5.1 Schedule 8812, Additional Child Tax Credit (ACTC)
 - 3.11.6.14.5.1.1 Schedule 8812, Refundable Child Tax Credit (Tax Year 2021)
 - 3.11.6.14.5.2 American Opportunity Tax Credit (AOTC) Refundable Portion
 - 3.11.6.14.5.3 Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains
 - 3.11.6.14.5.4 Form 4136, Credit for Federal Tax Paid on Fuels
 - 3.11.6.14.5.5 Premium Tax Credit (PTC), Form 8962
 - 3.11.6.14.5.6 Economic Impact Payments (EIP)
 - 3.11.6.14.5.7 Recovery Rebate Credit (RRC) - Tax Years 2020 and 2021 Only
 - 3.11.6.14.5.8 Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals - Tax Years 2020 and 2021 Only
 - 3.11.6.14.5.8.1 Credit for Qualified Sick and Family Leave Wages - Tax Year 2022
 - 3.11.6.14.5.9 Refundable Child and Dependent Care Credit - Tax Year 2021
- 3.11.6.14.6 Overpayment Amount on This Amended Return (Line 21)
 - 3.11.6.14.6.1 Direct Deposit
 - 3.11.6.14.6.2 Credit Elect (Line 23)
 - 3.11.6.14.6.2.1 Credit Elect Availability Dates
- 3.11.6.15 Individual Master File (IMF) Processing Codes
 - 3.11.6.15.1 Integrated Data Retrieval System (IDRS) Freeze Codes
 - 3.11.6.15.2 Integrated Data Retrieval System (IDRS) Transaction Codes
 - 3.11.6.15.3 Transaction Codes (TC), Item Reference Numbers (IRN), and Credit Reference Numbers (CRN)
 - 3.11.6.15.4 Source Codes (SC)

-
- 3.11.6.15.5 Reason Codes (RC)
 - 3.11.6.15.6 Blocking Series (BS)
 - 3.11.6.15.7 Hold Codes (HC)
 - 3.11.6.15.8 Posting Delay Codes (PDC)
 - 3.11.6.15.9 Priority Codes (PC)
 - 3.11.6.15.10 Category Codes
 - 3.11.6.15.11 Correspondence Imaging Inventory Indicator (CIS IND), Source Document Attached Indicator (SD), and Remarks
 - 3.11.6.15.12 Business Operating Division Code (BOD CD)
 - 3.11.6.16 Cases Requiring Special Handling
 - 3.11.6.16.1 Processing Statute Cases
 - 3.11.6.16.2 Processing a Disaster Claim
 - 3.11.6.16.3 Cases Returned From CAT-A Suspense
 - 3.11.6.16.4 Combat Zone
 - 3.11.6.16.5 Inputting a Corrected Adjustment
 - 3.11.6.16.6 Math Error Response Cases
 - 3.11.6.16.6.1 The Amended Return Agrees with, or Doesn't Address, the Math Error(s)
 - 3.11.6.16.6.2 Processing a Timely Substantiated Protest to a Math Error Set on the Original Return
 - 3.11.6.16.6.3 Processing a Late Substantiated Protest to a Math Error Set on the Original Return
 - 3.11.6.16.6.4 Processing a Timely Substantiated Protest to a Math Error Set on an Amended Return
 - 3.11.6.16.6.5 Processing a Late Substantiated Protest to a Math Error Set on an Amended Return
 - 3.11.6.16.7 Inputting a Disallowance Adjustment
 - 3.11.6.16.8 Estimated Tax Penalty (ETP)
 - 3.11.6.16.9 Form 4442 and E-4442, Inquiry Referrals
 - 3.11.6.16.10 Decedent Returns
 - 3.11.6.16.11 Form 8857, Request for Innocent Spouse Relief
 - 3.11.6.16.12 Form 8379, Injured Spouse Allocation
 - 3.11.6.16.13 Form 8938, Statement of Specified Foreign Financial Assets
 - 3.11.6.16.14 Returns With an Individual Taxpayer Identification Number (ITIN)
 - 3.11.6.16.14.1 Returns Received From the ITIN Unit (Form W-7)
 - 3.11.6.16.14.2 Individual Taxpayer Identification Number (ITIN) Status
 - 3.11.6.16.15 Computer Paragraph (CP) Notices
 - 3.11.6.16.15.1 CP 08, You May Qualify for Child Tax Credit (CTC), and Form 15110, Additional Child Tax Credit Worksheet
 - 3.11.6.16.15.2 CP 09, Earned Income Credit - You May Be Entitled to EIC, and Form 15111, Earned Income Credit Worksheet (CP 09)
 - 3.11.6.16.15.3 CP 27, EIC Potential for Taxpayer Without Qualifying Children, and Form 15112, Earned Income Credit Worksheet (CP 27)
 - 3.11.6.16.16 Processing Loose Form 8606, Nondeductible IRAs

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- 3.11.6.16.17 Prisoner Returns
 - 3.11.6.16.18 Exam Soft Notices - CP 87, CP 87A, CP 87B, CP 87C, and CP 87D
 - 3.11.6.16.19 Taxpayer Advocate Service (TAS) Cases
 - 3.11.6.16.20 Claims Returned from Other Areas
 - 3.11.6.16.21 Loose Correspondence and Documents
 - 3.11.6.16.22 Classified Waste
 - 3.11.6.16.23 Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INVALID IDOC
 - 3.11.6.16.24 Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INC MISMATCH
 - 3.11.6.17 Unpostable Conditions
 - 3.11.6.17.1 CII Case Unpostable Condition Resolution
 - 3.11.6.18 Lead Tax Examiners Only
 - 3.11.6.18.1 For Lead Tax Examiners - Reversing an Erroneous Adjustment
 - 3.11.6.18.2 For Lead Tax Examiners - Refund Intercept CC NOREF

3.11.6.1
(04-25-2024)
Program Scope and Objectives

- (1) **Purpose:** This IRM covers procedures to process superseding returns, amended returns, and responses to computer paragraph (CP) notices. Specifically, IRM 3.11.6, provides instructions to process:
 - A superseding Form 1040, U.S. Individual Income Tax Return
 - An amended Form 1040, U.S. Individual Income Tax Return
 - A Form 1040-X, Amended U.S. Individual Income Tax Return
 - A response to CP 08, You May Qualify for Child Tax Credit (CTC)

Note: This includes Form 15110, Additional Child Tax Credit Worksheet.

 - A response to CP 09, Earned Income Credit - You May Be Entitled to EIC

Note: This includes Form 15111, Earned Income Credit Worksheet (CP 09).

 - A response to CP 27, EIC Potential for T/P Without Qualifying Children

Note: This includes Form 15112, Earned Income Credit Worksheet (CP 27).
- (2) **Audience:** The procedures in this IRM apply to all Submission Processing (SP) 1040-X employees responsible for the processing of superseding returns, amended returns, and CP notices.
 - Supervisory Tax Examining Technicians
 - Lead Tax Examining Technicians
 - Tax Examining Technicians
 - Clerks
- (3) **Policy Owner:** Director, Submission Processing
- (4) **Program Owner:** Submission Processing, Specialty Programs Branch, Post Processing Section (SP:SPB:PP)
- (5) **Primary Stakeholders:** Submission Processing (SP), SP 1040-X employees, Accounts Management (AM), Small Business/Self-Employed (SBSE), Large Business and International (LB&I), Return Integrity Compliance Systems (RICS), Chief Financial Officer (CFO), Taxpayer Advocate Service (TAS), Chief Counsel, Information Technology programmers, Compliance.
- (6) **Program Goals:** This IRM provides the fundamental knowledge and procedural guidance for SP 1040-X employees that process superseding returns, amended returns, and CP notices. By following the processes and procedures provided in this IRM, employees will adjust tax accounts using documents provided by the taxpayer in a manner that follows IRS policy and procedures while promoting the best interests of the Government.

3.11.6.1.1
(04-25-2024)
Background

- (1) Employees in the Submission Processing (SP) 1040-X organization that process amended return, superseding return, and computer paragraph (CP) notice cases are required to:
 - Perform a preliminary review of each case.
 - Screen, sort, route, and prioritize each case for processing.
 - Process each case using AMS, CII, EUP, RRD, IDRS, and IAT tools.
 - Input specific Individual Master File (IMF) Adjustments, as needed.
 - Correspond for missing required information and signatures, if needed.

- Aid in determining fraud and frivolous positions on each case.

3.11.6.1.2
(06-03-2021)

Authority

- (1) Authority for these procedures is found in the following sections of the Internal Revenue Code (IRC) and their corresponding Treasury regulations.
 - IRC 6201(a)
 - IRC 6213(b)
 - IRC 6402(a)
 - IRC 6511
 - Protecting Americans from Tax Hikes Act (PATH Act) enacted December 18, 2015
 - The Disaster Tax Relief and Airport and Airway Extension Act of 2017, enacted on September 29, 2017
 - The Tax Cuts and Job Act (TCJA) enacted on December 22, 2017
 - The Bipartisan Budget Act of 2018 enacted February 9, 2018
 - The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) of 2020, enacted March 27, 2020
 - The Consolidated Appropriations Act, 2021, enacted December 27, 2020
 - American Rescue Plan Act of 2021, enacted March 11, 2021
 - Inflation Reduction Act (IRA) of 2022, enacted August 16, 2022

3.11.6.1.3
(11-09-2017)

Roles and Responsibilities

- (1) The Director of Submission Processing (SP) is responsible for monitoring operational performance for the SP campuses.
- (2) The Operations Manager is responsible for monitoring operational performance.
- (3) The Team Managers and Leads are responsible for performance monitoring and ensuring employees have the tools to perform their duties.
- (4) Employees are responsible for following the instructions contained in this IRM and maintaining updated IRM procedures.

3.11.6.1.4
(11-21-2019)

Program Management and Review

- (1) **Program Reports:** ERS Draft language - System control reports are on the Control-D, WebAccess (CTDWA).
- (2) **Program Effectiveness:** Program effectiveness is determined by Submission Processing's employees successfully using IRM guidance to perform necessary account actions and duties. The following are used to ensure program effectiveness:
 - Embedded Quality Submission Processing (EQSP)
 - Balanced Measures
 - Managerial reviews
- (3) **Annual Review:** Review the processes included in this manual annually to ensure accuracy and promote consistent tax administration. This may be included under responsibilities for a manager.

3.11.6.1.5
(01-02-2025)

Program Controls

- (1) Federal Managers Financial Integrity Act (FMFIA) of 1982 requires federal agency executives to periodically review and annually report on the agency's internal control systems.

- (2) Systemic controls are embedded in the Integrated Automation Technologies (IAT) tools and the Integrated Data Retrieval System (IDRS).

3.11.6.1.6
(01-02-2025)

Acronyms

- (1) Acronyms commonly used include the following:

Acronym	Definition
AC	Action Code
AIMS	Audit Information Management System
AM	Accounts Management
AMS	Account Management Services
AQC	Automated Questionable Credit (RIVO)
ASED	Assessment Statute Expiration Date
ATIN	Adoption Taxpayer Identification Number
BS	Blocking Series
CC	Command Code
CII	Correspondence Imaging Inventory
CRN	Credit Reference Number
DDBCK	Dependent Database Check
DUPOL	DUPLICATE TIN OnLine
EIP	Economic Impact Payment
EITC	Earned Income Tax Credit
ERO	Electronic Return Originator
EUP	Employee User Portal
HC	Hold Code
HOH	Head of Household
IAT	Integrated Automation Technologies
IDRS	Integrated Data Retrieval System
IMF	Individual Master File
IRN	Item Reference Number
ITIN	Individual Taxpayer Identification Number
FS	Filing Status
MAGI	Modified Adjusted Gross Income
MFJ	Married Filing Joint
MFS	Married Filing Separate
MFT	Master File Tax

Acronym	Definition
NC	Name Control
NSD	No Source Document
O/S	Original Signature
ODC	Credit for Other Dependents
PIN	Personal Identification Number
POA	Power of Attorney
QND	Qualifying Non-Dependent
QSS	Qualifying Surviving Spouse
RC	Reason Code
RRD	Return Request Display
RSED	Refund Statute Expiration Date
RTS	Real Time System
SC	Source Code
SDI	Source Document Indicator
SP	Submission Processing
SSN	Social Security Number
TC	Transaction Code
TCD	Technical Communication Document
TIN	Taxpayer Identification Number

- (2) For a comprehensive listing of any IRS acronyms, please refer to the *Acronym Database*.

3.11.6.1.7
(01-02-2025)

Related Resources

- (1) Use the following IRMs when guidance isn't provided within IRM 3.11.6:
- IRM 2.4, IDRS Terminal Input
 - IRM 3.10.72, Receiving, Extracting, and Sorting
 - IRM 3.10.72-1, Routing Guide/Local Maildex
 - IRM 3.10.72-2, Correspondence C Letters - Routing Guide
 - IRM 3.10.72-3, Computer Paragraph CP Notices - Routing Guide
 - IRM 3.10.72-4, Miscellaneous Documents/Forms/Correspondence - Routing Guide
 - IRM 3.11.3, Individual Income Tax Returns
 - IRM 3.11.249.3.2.1, Document Locator Number (DLN)
 - IRM 3.12.37.25, Correspondence
 - IRM 3.12.179, Individual Master File (IMF), Payer Master File (PMF) Unpostable Resolution
 - IRM 3.13.5, Individual Master File (IMF) Account Number
 - IRM 3.24.3, Individual Income Tax Returns
 - IRM 21, Customer Account Services

(2) Websites and electronic tools used to process adjustments include:

- Accounts Management Services (AMS)
- *Campus Document Routing Guide and Maildex Listings*
- Correspondence Imaging Inventory (CII)
- *Correspondex Letters*
- *Employee Use Portal (EUP)*
- *IMF 1040X Research Portal*
- *Integrated Automation Technologies (IAT)*
- Integrated Data Retrieval System (IDRS)
- *Interactive Tax Law Assistant (ITLA)*
- *IPUs and Prior IRM Revisions*
- *IRC 30D New Qualified Plug-In Electric Drive Motor Vehicle Credit*
- *IRS Certified Professional Employer Organizations Public Listings*
- *IRS Disaster Assistance Program*
- *IRS Tax Publications*
- Modernized e-File Return Request Display (RRD)
- *Servicewide Electronic Research Program (SERP)*
- *SERP Feedback*
- *Servicewide Notice Information Program (SNIP)*
- *USPS.com*

Note: References to tools and websites used aren't exhaustive or complete. See the training materials and job aids for more information.

- (3) Additional CII information, including the CII Performance Guide (*Course Number 6902c-203 CSR Guide*), can be found under the Local/Sites/Other tab on SERP, followed by the Correspondence Imaging Inventory (CII) tab. The CSR Guide provides additional explanations, information, and instructions.
- (4) RRD is accessed through EUP. The RRD application displays specific tax return and status information for tax returns/extensions processed by the MeF application. This application allows IRS employees to view 100% of the data transmitted on MeF tax returns/extensions (including attachments) in a format that resembles paper forms.
- (5) Use *Document 6209*, IRS Processing Codes and Information, 1040 attachment guide, *Tax Form and Instructions* (accessible through the IRS Home Page), and Pub 17, *Your Federal Income Tax (For Individuals)*, when processing amended returns. These are valuable resources for obtaining additional information, resolving questions and completing math verification.
- (6) This IRM doesn't cover all scenarios. See your lead or manager when clarification is needed.

3.11.6.2
(01-02-2025)
**General Form 1040-X
Information**

- (1) Taxpayers can add, delete, update, or change tax information reported on their original tax return, including amounts adjusted by the IRS, by filing an amended return. Generally, taxpayers need to complete and submit, electronically or by mail, a Form 1040-X, Amended U.S. Individual Income Tax Return, to amend their original return, but they do have the option to use Form 1040, U.S. Individual Income Tax Return, Form 1040-SR, U.S. Tax Return for Seniors, or Form 1040-NR, U.S. Nonresident Alien Income Tax Return. Regardless of the filing method used, Submission Processing (SP) 1040-X tax examiners use the Correspondence Imaging Inventory (CII) system when processing amended returns.

- (2) Beginning in 2025, certain amended returns received electronically will be processed through automation. If an electronically filed amended return isn't processed through automation, it will be transferred to the CII system for manual processing.
- (3) Amended returns received by mail are scanned into the CII system and processed manually.
- (4) Page 1 of Form 1040-X contains three columns to help taxpayers calculate changes:
 - a. Column A, Original amount, shows amounts originally claimed by the taxpayer, amounts adjusted by the IRS (math error on original return) or amounts adjusted from a previously filed Form 1040-X for the same tax period.
 - b. Column B, Net change, shows the amount of change (increase or decrease) for each line the taxpayer is changing. Taxpayers are instructed to show decreases in parenthesis, explain each change in the Explanation of Changes on page 2 of Form 1040-X or attached statement and attach any schedule and/or form related to the change.
 - c. Column C, Correct Amount, shows the amended figures.
- (5) All references to line numbers are for the current revision of the form or schedule unless otherwise specified.
- (6) The operational instructions in this IRM determine if the adjustment request can be made in Submission Processing or if it must be sent to another area or function.
- (7) General SERP Alerts issued for IRM 3.11.6 are additions to the IRM and are followed as part of IRM 3.11.6.
- (8) The operational guidance in this IRM takes precedence over any conflicting IRM. The specific section instructions take precedence over any general instruction.

Note: This IRM does link to specific subsections in other IRMs. When following links to other subsections, typically, the instructions are within that subsection. Occasionally, there are instances in which you must follow a link within the subsection.

Example: When researching Child Tax Credit to determine eligibility, you refer to IRM 21.6.3.4.1.24.1, Child Tax Credit (CTC) - Qualifications. If the eligibility criteria are met, you continue processing the claim per IRM 3.11.6. If eligibility isn't met and you're instructed to disallow, you refer to IRM 3.11.6.14.2.2.6, Child Tax Credit (CTC), and IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), for instructions on disallowing the claim.

- (9) Not all scenarios are covered by this IRM. Follow IRM 3.11.6.1.7, Related Resources, when this occurs. If clarification is needed, contact your lead for assistance.
- (10) When processing an amended return, the CII Case ID is required in the remarks section of all IDRS transactions, such as REQ54, ENREQ, REQ77, and credit transfers.

- (11) The general sequence is to determine if:
1. Routing criteria is met.
 2. The claim is complete.
 3. The claim is allowable.
 4. The claim is processable.
- (12) When processing amended returns and CP Notices, use IDRS, AMS, CII, EUP, and RRD.
- (13) Use of IAT tools is required. IRM instructions take precedence over any instructions, directions or default inputs the IAT tools provide. If specific IRM instructions are not present, accept the IAT Tool results.
- Note:** Prior to using the IAT tools, you must complete setup and complete your IAT profile.
- (14) Researching previous tax years may assist in processing a return. Tax examiners must have a valid business reason to access related accounts.

3.11.6.2.1
(01-02-2025)
**Processing Time Frames
and Suspense Time
Frames**

- (1) Form 1040-X, Amended U.S. Individual Income Tax Return, Computer Paragraph (CP) CP 08, You May Qualify for a Refund From the Additional Child Tax Credit, CP 09, You May Be Eligible for the Earned Income Credit (EIC), and CP 27, You May be Eligible for the Earned Income Credit (EIC) - Complete EIC Worksheet, notices must be processed in first in/first out (FIFO) order by oldest IRS Received Date regardless of the filing method in accordance with the timeframes described in this subsection. For additional information on processing timeframes, see IRM 3.30.123, Processing Timeliness: Cycles, Criteria, and Critical Dates.
- (2) Cases that have been received through the mail that have the same received date are batched together. Cases received from areas within the IRS are identified as Inter office (I/O); Such as, Work I/O, Statute I/O, and W-7 I/O. When creating an I/O batch, use the current date as the Julian Date in BBTS.
- (3) Form 1040-X, CP notices, and I/O work all have the same processing timeframe.

Work type...	Then ...
Form 1040-X	Process the Form 1040-X within 30 calendar days from the IRS received date (day one) to the date the CII Case is reassigned or rerouted to another area (ending day), the CII case is closed (ending day), or the input of a TC 29X.
CP 08, CP 09, or CP 27	Process the CP case within 30 calendar days from the IRS received date (day one) to the date the CII Case is reassigned or rerouted to another area (ending day), the CII case is closed (ending day), or the input of a TC 29X.

Work type...	Then ...
I/O	Process the I/O case within 30 calendar days from the IRS received date (day one) to the date the CII Case is reassigned or rerouted to another area (ending day), the CII case is closed (ending day), or the input of a TC 29X.
Form 4442, Inquiry Referral, or E-4442	Process the referral within 30 calendar days.

(4) Amended return suspense time frames are as follows:

Note: C-Letter correspondence suspense time frames are applicable to the SP-Letter version.

Reason for Suspense ...	Time Frame ...
No TC 150	<ul style="list-style-type: none"> 60 days from the received date ERS Status is "100", suspend for 5 working days If the tax data is present and/or is pending, 60 days from the received date
TC 150 posting date shows 00000000 or is blank	<ul style="list-style-type: none"> For TY 2024 and prior, suspend the amended return until Posting Cycle 22 If the amended return is received during Posting Cycle 21 or later and the posting date shows 00000000 or is blank, then suspend the case for 14 days
Unpostable TC 150	45 days from today.
Corrected Unpostable TC 150	10 days from today.
Pending TC 150	10 days from today.
RETREG	21 days from today.
Letter 324C per IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).	45 days from the date the letter sent on IDRS.
Letter 324C per IRM 3.11.6.16.1, Processing Statute Cases.	45 days from the date the letter sent on IDRS.
Credit transfer during "Dead Cycles"	Suspend until after the "Dead Cycles"
Undelivered correspondence per IRM 3.11.6.10.13, Undelivered Correspondence	If the case is in suspense, 45 days from the date of your newly issued letter.
Unemployment Compensation Exclusion (UCE) per IRM 3.11.6.14.1.1.3, Unemployment Compensation Exclusion (UCE) - Tax Year 2020 Only (Line 1)	Suspend for 10 working days.

3.11.6.2.1.1
(01-02-2025)
**1040-X Suspense
Activity Codes**

- (1) When suspending a case, use the appropriate suspense reason from the “Suspense” drop-down listed below.

If ...	And ...	Then use ...
No TC 150	<ol style="list-style-type: none"> 1. The case is in ERS Status 100. 2. If tax data is present and/or is pending (must be present on primary taxpayer for FS 3), per IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150). 	<ol style="list-style-type: none"> 1. “No TC 150 ERS Status 100”. 2. “No TC150”.
TC 150 posting date shows 00000000 or is blank		<p>“No TC 150 Posting Date”.</p> <p>Note: If the return is received in Cycle 21 or later, use “No TC 150 Posting Date Received in Cycle 21 or Later”</p>
Unpostable TC 150		“Unnn TC 150”.
Corrected Unpostable TC 150		“CU TC 150”.
Pending TC 150		“PN TC 150”.
Statute return on retention		“RETREG”.
Letter 324C		“324C-SNT”.
Credit transfer during “Dead Cycles”		“Dead Cycle”.

Note: If a suspense reason listed above not available in the drop-down menu, use “MONITOR” as the reason for suspense.

3.11.6.2.2
(11-09-2017)
**Internal Revenue Manual
(IRM) Deviations**

- (1) Submit IRM deviations in writing following instructions from IRM 1.11.2.2.3, When Procedures Deviate from the IRM, and elevate through proper channels for executive approval.

3.11.6.2.3
(09-25-2020)
**IRS Employees and
Covered Relationships**

- (1) IRS employees can be identified from the IRS-EMP-CD on CC TXMOD and on CC IMFOLT. There are special procedures that you must follow to protect the taxpayer employee, as well as to protect yourself.
- (2) If you access an account of an IRS employee that you don’t know, work the case and see (4) below.

- (3) If you access an account of an IRS employee that you do know, or if you access an account of someone that falls under a covered relationship such as family members, friends, or neighbors, refer the case to your lead or manager and see (4) below.
- (4) Completing Form 11377-E, Taxpayer Data Access, is voluntary but highly recommended. The purpose is to document the reason(s) that the tax return and/or information on IDRS was accessed when the case wasn't assigned directly to you.

3.11.6.2.4
(09-04-2024)
**Integrated Data Retrieval
System (IDRS) Access**

- (1) While working cases, SP employees may encounter modules that are blocked on IDRS. These modules are identified by an IDRS security violation message, "Unauthorized to Access This Account". Reassign the CII case ID to your manager. Managers must notify the local Planning & Analysis staff who must requesting access to the account. Managers must retain the original case in CII inventory, awaiting access that can take up to five business days. Once notified that access has been granted, the case can be transferred back to the tax examiner to work following applicable procedures.

#

3.11.6.2.5
(01-02-2024)
**Document Perfection
Operation (DPO)
Submission Processing
(SP) 1040-X Organization
Function Program (OFP)
Information**

- (1) SP 1040-X OFP codes are used for reporting work closed by individual Tax Examiners.
- (2) SP 1040-X OFP codes are used in conjunction with the weekly WPC (Work Planning and Control) reporting system.
- (3) The following represent the codes used for reporting the work performed:

Work Type ...	OFP...
MeF (MEFP)	<ul style="list-style-type: none"> 710-44490 - 1040-X MeF processing
Paper cases scanned into CII (MEFS)	<ul style="list-style-type: none"> 710-44450 - 1040-X scan processing 710-44452 - W-7 scan processing
DUT CP Notices (MEFS)	<ul style="list-style-type: none"> 710-40411 - CP 27 710-40412 - CP 09 710-40413 - CP 08
Paper CP Notices scanned into CII (MEFS)	<ul style="list-style-type: none"> 710-40000 - CP 27 710-40002 - CP 09 710-40003 - CP 08

- (4) For additional information regarding OFP codes, refer to IRM 3.30.20, Work Planning and Control - Organization, Function, and Program (OFP) Codes.

3.11.6.2.5.1
(02-17-2023)
**Daily Work Record
(DWR)**

- (1) The daily work record (DWR) is used to report the volume of work processed by work type. Every tax examiner is responsible for completing a DWR and submitting it to their manager or lead.

3.11.6.2.6
(02-17-2023)
Systems

(1) The IRS uses a network of tax account and information systems to maintain communication with and service to the taxpaying public. This subsection gives condensed descriptions and explanations of many of the systems, databases, files and processes used or researched by Customer Account Services (CAS) employees. Although this list isn't all-inclusive, these systems are used to:

- File tax returns
- Process tax returns
- Process information returns
- Issue notices, refunds, and letters
- Store and retrieve information
- Process adjustments to information
- Provide information for other official purposes

(2) 1040-X employees need a general understanding of the systems and the ability to research for more specific information when needed, using these and other systems.

- Master File (MF) – MF is the official repository of all taxpayer data extracted from magnetic tape records, paper and electronic tax returns, payments, and related documents, is maintained at Enterprise Computing Center - Martinsburg (ECC-MTB) and /or Enterprise Computing Center - Memphis (ECC-MEM). For more information about MF, see IRM 21.2.1.2, Master File.
- Integrated Data Retrieval System (IDRS) – IDRS accesses Master File account information using IDRS Command Codes (CCs) to take control of and take action on cases, request and receive printouts of modules, research accounts, research or extract from MF tapes, and to issue letters to taxpayers. For more information about IDRS, see IRM 21.2.1.3, IDRS.

Note: There are various *Integrated Automation Technologies (IAT) tools* available that automate specific IDRS actions. Refer to IRM 3.11.6.2.6.2, Integrated Automation Technologies (IAT) Tools, for more information

- Account Management Services (AMS) – AMS provides a common user interface that allows users to update taxpayer accounts, view history and comments from other systems and access a variety of case processing tools. For more information about AMS, see IRM 21.2.1.8, Account Management Services (AMS).
- Correspondence Imaging Inventory (CII) – CII is a document imaging and workflow system. All incoming paper correspondence, notice replies, amended returns, internal transcripts, and internal Computer Paragraph (CP) notices are scanned and processed as digital images. CII interacts with IDRS to control cases and distribute cases electronically to tax examiners for resolution. The digital cases are assigned to tax examiners who work the cases online using the workflow software. CII interacts with IDRS to initiate various command codes and can be used to capture the request completed screens as a part of the digital case. CII inventory is accessed using the AMS system. Users must access AMS first and then select the CII inventory link. For more information about CII, see IRM 21.2.1.9, Correspondence Imaging Inventory (CII).

Note: There are different roles assigned in CII that allow users to perform certain actions. Refer to IRM 3.11.6.2.6.3, Correspondence Imaging Inventory (CII) Roles, for more information.

- Name Search Facility (NSF) – The NSF contains the full taxpayer or business names used and the most current Master File addresses. For more information about NSF, see IRM 21.2.1.13, Name Search Facility (NSF).
- Taxpayer Information File (TIF) – The TIF consists of multiple areas of information. The TIF provides tax account information for certain taxpayers (generally involving only active accounts) on the database. Balance due notices are issued from the TIF. For more information about TIF, see IRM 21.2.1.14, Taxpayer Information File (TIF).
- Fact-Of-Filing (FOF) – The FOF file contains timely filed IMF/CADE2 refund returns (original only), usually posted within three weeks of processing. For more information about FOF, see IRM 21.2.1.16, Fact-Of-Filing (FOF).
- Tax Return Data Base (TRDB) – TRDB contains all of the tax return data for electronically filed returns and subsequent corrections. Reject codes are displayed for research. For more information about TRDB, see IRM 21.2.1.21, Tax Return Data Base (TRDB).
- Modernized e-File (MeF/TRDB) – MeF/TRDB is a web-based system that allows electronic filing of Individual, Corporate, Partnership, Exempt Organizations, Excise, Estate and Trusts, and Employment Tax Returns through the Internet. For more information about MeF/TRDB, see IRM 21.2.1.22, Modernized e-File (MeF/TRDB).
- Modernized e-File Return Request Display (RRD) – The RRD application displays specific tax return and status information for original and amended tax returns/extensions processed by the MeF application. This application allows IRS employees to view 100% of the data transmitted on MeF tax returns/extensions (including attachments) in a format that resembles paper forms. Access to RRD is through the Employee User Portal (EUP). For more information about the RRD, see IRM 21.2.2.4.4.9, Modernized e-File Return Request Display (RRD).
- E-File Services (eFS) System – The eFS System offers several methods for filing taxes and transferring funds electronically. eFS uses several multi-functional Electronic Filing Systems (EFS) to receive and process individual and business returns. For more information about the eFS System, see IRM 21.2.1.38, E-File Services (eFS) System.
- Where's My Amended Return (WMAR) – The WMAR is an Integrated Customer Communication Environment (ICCE) application, established March 18, 2013, to provide automated access to the processing status of Form 1040-X, US Amended Return. It is available in English and Spanish and allows taxpayers to 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. For more information about the WMAR, see IRM 21.2.1.59, Where's My Amended Return (WMAR).

3.11.6.2.6.1
(01-02-2025)

IDRS Command Codes (CC)

- (1) All SP 1040-X tax examiners, quality reviewers and leads use the following IDRS command codes. See the *IDRS Command Code Job Aid* for detailed information on the command codes. There are various *Integrated Automation Technologies (IAT) tools* available that automate specific IDRS CC actions.

Command Codes required for all Tax Examiners	Additional Command Codes required for all Lead and Quality Review Tax Examiners
<ul style="list-style-type: none"> • ACTON • ADD24 • ADD34 • ADD48 • ADJ54 • AMDIS • BMFOL • CFINK • DDBCK • DDBKD • DRT24 • DRT48 • DUPED • DUPOL • EICMP • ENMOD • ENREQ • ERINV • FFINQ • FIEMP\$ • FINDS • FRM34 • FRM77 • FTBOL • IMFOL • INCHG • INOLE • IRPTR • LETER • LPAGD • LPAGE • MESSG • MFREQ • NAMEB • NAMEE • NAMEI • NAMES • PGNUM • REQ54 • REQ77 • RTVUE • SFDISP • SUMRY • TERUP\$ • TPIIP • TRDBV • TRDPG • TXCMP • TXMOD • UPTIN 	<ul style="list-style-type: none"> • ESTAB • NOREF (Leads only) • QRACN • QRADDG • RVIEW

3.11.6.2.6.1.1
(07-22-2024)
CC IRPTR

- (1) There are several subsections within IRM 3.11.6 that require certain items to be reviewed using Command Code (CC) Information Returns Processing Transcript Requests (IRPTR). There are also times when CC IRPTR will be helpful in determining the adjustment being requested. This CC allows Integrated Data Retrieval System (IDRS) users to request either online or hardcopy Information Returns Processing (IRP) transcripts from the Information Returns Master File (IRMF).

#

3.11.6.2.6.2
(02-17-2023)
**Integrated Automation
Technologies (IAT) Tools**

- (1) The use of Integrated Automation Technologies (IAT) Tools is required by all SP 1040-X employees. IAT tools are desktop productivity enhancing tools and simplify taxpayer account processing by assisting the user with IDRS research and input. If IDRS or a command code (CC) is down or not functioning properly, IAT won't function correctly. If you're having a problem with an IAT tool, try entering the command code manually using IDRS. If there are no IDRS or CC issues, continue processing the case manually and notify your lead or manager there's a problem with IAT. If an IAT tool isn't available, or an employee has a problem with the IAT Tool Manager, the case must be processed through IDRS following established procedures.

Caution: IRM instructions take precedence over any instructions, directions or default inputs the IAT tools provide. If specific IRM instructions are not present, accept the IAT Tool results.

- (2) The IAT tools used are:

- *ACT ON*
- *Address*
- *Code Search Index (CSI)*
- *Credit Transfer*
- *eClerical*
- *Fill Forms*
- *IAT*
- *Letters*
- *Name Search*
- *Quick Command Code (QCC)*
- *REQ54*
- *REQ77*
- *RESULT*
- *Stop Refund (NOREF)*
- *xMend*

Note: The xMend tool incorporates access to several of the IAT tools.

3.11.6.2.6.3
(02-17-2023)

**Correspondence
Imaging Inventory (CII)
Roles**

- (1) Each site will designate the employees assigned to one of the following roles.
 - Site User Manager (SUM)
 - Back-up SUM (BSUM)
 - Manager
 - Lead
 - Tax Examiner
 - Clerk
- (2) The SUM:
 - a. Has the ability to see all CII profiles for the site and can update all profiles for the site.
 - b. Can distribute cases to a SUM, BSUM, manager, lead, and tax examiner.
- (3) The BSUM:
 - a. Has the ability to see all CII profiles for the site and can update all profiles for the site.
 - b. Can distribute cases to a SUM, BSUM, manager, lead, and tax examiner.
- (4) The manager:
 - a. Has the ability to see all CII profiles for their employees and can update their profiles.
 - b. Can distribute cases from the CII system to a SUM, BSUM, manager, lead, and tax examiner.
- (5) The lead:
 - a. Has the ability to see all CII profiles for their employees and can update their profiles.
 - b. Can distribute cases from the CII system to a lead, and tax examiner.
 - c. Can process cases.
- (6) The tax examiner processes cases assigned to them by the:
 - a. CII system
 - b. SUM
 - c. BSUM
 - d. Manager
 - e. Lead
- (7) The clerk:
 - a. Can scan and validate documents.
 - b. Can do research on CII cases.

3.11.6.3
(01-02-2024)

**Controlling Cases on the
Correspondence
Imaging Inventory (CII)
System**

- (1) All Submission Processing (SP) 1040-X inventories, received on paper and scanned into the Correspondence Imaging Inventory (CII) system, received through the Modernized e-File (MeF) system, or the Document Upload Tool (DUT) are held in a generic central CII queue. The central queue is commonly referred to as the Global Queue (GQ) and can be identified by the unique Integrated Data Retrieval System (IDRS) number, 0938000000.
- (2) Each case in the GQ is controlled systemically on the Integrated Data Retrieval System (IDRS) when the CII case is created. Cases in the GQ are

considered unassigned (UA) and pending assignment through auto-distribution. For more information on controlling CII cases or auto-distribution, see IRM 3.13.6.2.7, Preparing Documents for Scanning - General Instructions, IRM 3.13.6-1, APPENDIX A - DOCUMENT TYPES, CATEGORY CODES, IMF DOMESTIC, and IRM 3.11.6.3.1, Auto-Distribution.

- (3) If any part of the CII case data is incorrect, follow to IRM 3.11.6.4.8, Updating Case Data, before completing your case action.
- (4) If the case has multiple control bases with the same received date, close all bases upon case completion.
- (5) If you receive an inquiry from another area concerning controlled cases, the inquiry must be on Form 4442, Inquiry Referral, or E-4442. Refer to IRM 3.11.6.16.9, Form 4442 and E-4442, Inquiry Referrals.

3.11.6.3.1
(08-16-2023)
Auto-Distribution

- (1) The Correspondence Imaging Inventory (CII) system's auto-distribution functionality is used in Submission Processing (SP) to distribute cases to a SP 1040-X tax examiner (TE) for processing. Cases are distributed during the evening, Monday through Friday, based on the TE's CII profile. It's the responsibility of the TE's manager to set and adjust the TE's CII profile settings:

- a. Availability (AVBL)
- b. Max User Inventory limit (MUI)
- c. Volume per Day limit (VpD)
- d. Skill Set

- (2) The AVBL setting must be set to "Available" for a TE to receive cases through auto-distribution. Using the "Unavailable" setting prevents the system from auto-distributing cases to the TE, and cases can't be manually assigned to or reassigned from the TE. The **Unavailable** setting must only be used when a TE is detailed to another area or is placed in non-duty status.

Caution: If changing a TE's Availability to "Unavailable", all cases, if any, in the TE's inventory must be reassigned manually by the manager to another TE before making the profile change.

- (3) The MUI limit is 500 cases. This limit is the total number of cases a TE can have in inventory and cases in suspense count against this limit. If a TE's inventory reaches the limit, the TE is excluded from distribution until the TE's inventory falls below the limit. Cases that are created using TE's number in CII at validation are still distributed to the TE, if active and available, without regard to the limit.

Note: The MUI may be modified when appropriate, but not below the 500-case minimum for SP 1040-X TEs.

Exception: The MUI for TEs that have finished their new hire training class and are on Skill Set "a" and "b" learning curve, the MUI minimum is 200 cases.

- (4) The VpD limit is 75 cases. This limit is total number of cases a TE receives daily through the auto-distribution process. Cases that are created using TE's number in CII at validation are still distributed to the TE, if active and available, without regard to the limit.

Note: The VpD may be modified when appropriate, but not below the 75-case minimum for SP 1040-X TEs.

(5) The Skill Set is used by the CII system to identify the Document Type (Doc Type) to be auto-distributed to a TE. The CII Skill Sets for SP 1040-X are:

- SP 1040X
- SP 1040X W7
- SP 1040X CP 08
- SP 1040X CP 09
- SP 1040X CP 27

Note: All TEs, once finished with their new hire training class, are required to have their CII profile setup for CII Skill Sets “1” and “2” shown above. Once a TE’s learning curves for skills “1” and “2” have been completed, the CP notice skill sets are to be add to the TE’s CII profile.

(6) In the event a TE depletes their active inventory and TE needs cases before the next auto-distribution, a manager, or lead, is able to manually reassigns cases from the auto-distribution queue directly to the TE. When manually reassigning cases from the auto-distribution queue to a TE:

1. Verify what Doc Types the TE is profiled to process. Refer to paragraph 5 above.
2. Determine which cases in the auto-distribution queue contains the oldest cases the TE is eligible to process based on the TE’s profile.
3. Reassign the oldest cases by Doc Type to the TE.

Note: If manually reassigning cases, the MUI limit may need to be increased.

(7) To temporarily stop distribution of cases to a TE, when on leave for example, set the volume per day to zero. Don’t set TE’s CII Availability to “Unavailable” for brief, temporary absences.

3.11.6.4
(01-02-2025)
**Amended Return
Preliminary Review**

- (1) Occasionally, taxpayers file multiple returns or CP Notices and each require a Document Type (Doc Type) for the Correspondence Imaging Inventory (CII) system. Refer to IRM 3.11.6.4.8 (2), Updating Case Data, for the CII Doc Types used by Submission Processing (SP) 1040-X.
- (2) Multiple filings for the same tax year (TY) requiring the same Doc Type, result in a CII case having multiple return images. Multiple filings requiring different Doc Type will have a have multiple CII cases.

If ...	And ...	Then ...
The taxpayer filed an amended return for TY 2024 on paper	The taxpayer submits another amended return for TY 2024 on paper and the CII case for the first return is still open	The second return will be present on the existing CII case.
The taxpayer filed an amended return for TY 2024 on paper	The taxpayer submits another amended return for TY 2024 on paper and the CII case for the first return is closed	The second return creates a new CII case.

If ...	And ...	Then ...
The taxpayer filed an amended return for TY 2024 on paper	The taxpayer submits another amended return for TY 2024 electronically and the CII case for the first return is still open	The second return will be present on the existing CII case. Caution: You need to search RRD for an amended return for the same TY. Exception: If the paper filed amended return is received from the ITIN, then a new case is created for the second return.
The taxpayer filed an amended return for TY 2024 electronically	The taxpayer submits another amended return for TY 2024 on paper and the CII case for the first return is still open	The second return will be present on the existing CII case.
The taxpayer responds to a CP notice	The taxpayer submits an amended return for the same TY on paper or electronically	Then a new CII case is created for the amended return.

(3) If a CII case has more than one imaged return follow the table.

If ...	And ...	Then ...
The imaged returns are duplicates		Process the case using the earliest complete return.
The imaged returns are not duplicates	They are for the same taxpayer, tax year, and routing criteria isn't present	Process each case separately. Reminder: When inputting multiple adjustments, a posting delay code is required. Caution: Don't close the CII case until all adjustments have been completed.
The imaged returns are not duplicates	They are for the same taxpayer, tax year, and routing criteria is present	Route the entire CII case following normal procedures.

- (4) When multiple CII cases are present, determine if the other case(s) are unsigned. See the generic queue list in IRM 3.11.6.3, Controlling Cases on the Correspondence Imaging Inventory (CII) System.
- (5) Determine if the CII case return is a superseding, duplicate, or amended return.
- (6) Before an adjustment can be input or sent to another function, check the return for the following elements:
 - Taxpayer Identification Number (TIN)

- Tax period
- Received date
- Control base
- Presidential Election Campaign Fund (PECF) requests
- TC 150 posted

(7) When instructed to treat a case as classified waste, see IRM 3.11.6.16.22, Classified Waste.

3.11.6.4.1
(01-02-2024)

CII Split Image Request

(1) A split image request is required when two or more unrelated cases have been erroneously scanned as one CII image. There are two types of split requests, simple and complex.

- A simple split request can be done on cases when two or more cases are in sequential order with all forms and schedules.
- A complex split request is where two or more cases or images are commingled in one case.

Note: Refer to the *1040-X Job Aid* for more information on splitting a CII image.

(2) If an entire image needs to be moved from a case, follow IRM 3.11.6.4.1.1, CII Move Image Request.

(3) A simple split request is submitted as follows:

- a. The TE must choose "SPLIT-IMAGE" from the "Suspend" drop-down list to open the "Split Image Details" screen. On the "Split Image Details" screen take the following actions:
 - Click the radio button next to the CIS image icon to start the simple split process.
 - In "Step 1" indicate the last page included with the current case by clicking on the appropriate page number and click the "Add Split" button.
- b. The lead or manager must retrieve the request from their "Approval" inventory and determine if the request is be accepted or denied. If denying the request leave a case message stating the reason for the denial.

Note: Once the approval or denial process has been completed, the case must be sent back to the TE's "Active" inventory.

- c. The TE must retrieve the case and review the case for any case messages from the lead or manager. If the request was denied, review the reason for the denial and submit another request if needed. If the request was approved, continue processing the case.

(4) A complex split request is submitted as follows:

- a. The TE must enter a case message stating "Complex split request. Pages (XX -XX) belong with the current case. Pages (XX - XX) belong to New Case (A, B, C, etc.)." Then, the TE notifies the lead or manager that (CII case number) requires a complex split.
- b. The lead or manager must search for the case in the TE's inventory and review the case message. After reviewing the case message, the lead or manager must use the Split Image tool located in the "CII Administration" menu to verify the split information to determine if the request is approved or denied.

- If approved, the tool must be used to split the case. Once the case has been split, the TE must be notified.
- If denied, leave a case message stating the reason for the denial and inform the TE.

- c. The TE must, upon receiving notification, retrieve the case and review the case for any case messages from the lead or manager. If the request was denied, review the reason for the denial and submit another request if needed. If the request was approved, continue processing the case.

3.11.6.4.1.1
(01-02-2024)

CII Move Image Request

- (1) A move image request is required when two or more images have been scanned to one CII case and at least one of the images doesn't belong to the CII case.
- (2) When an entire image needs to be moved to another CII case, the image move request is submitted as follows:
 - a. The TE must enter a case message stating "Image move request. Image (xxxxxxx) belongs to the current case. Image (xxxxxxx) belongs (a new case or existing CII case number)." Then, notify the designated employee at your site that (CII case number) requires an image be moved.
 - b. The designated employee must search for the case in the TE's inventory and review the case message. After reviewing the case message, the designated employee will determine if the request is approved or denied.
 - If approved, the image will be moved. Once the image has been moved, the TE must be notified.
 - If denied, leave a case message stating the reason for the denial and inform the TE.
 - c. The TE must, upon receiving notification, retrieve the case and review the case for any case messages from the designated employee. If the request was denied, review the reason for the denial and submit another request if needed. If the request was approved, continue processing the case.
- (3) To move an image, take the following action:
 - a. Open the CII case with the multiple images.
 - b. In the "Images and Files" section click on "Edit Image Details" for the image you want to move to another case.
 - c. On the "Edit Image Details" screen, the action taken will depend on the move request received. If the request received is to:
 - Move an image to an existing case, input the CII Case ID of the case where the image needs to be moved into the "Move to Existing Case" field.
 - Move an image to a new case, click the "Move to New Case" checkbox.
 - d. Click "Save" to complete the request.

3.11.6.4.2
(02-17-2023)

Associating Forms, Schedules, and Other Documents to CII Cases

- (1) Occasionally, when working a case, tax examiners will need to send a form, schedule, and other document to associate with the case they're working. The CII case association process must be completed prior to the case being re-assigned, rerouted, or closed.
- (2) The tax examiner must prepare the *CII Association Header Sheet* and input a case note stating what form(s), schedule(s), or other document(s) are being sent for association to the case.
 - TIN - Use the primary TIN

- Name Control - Use the primary name control
- MFT - Use "30"
- Tax Period - Use the tax period of the case
- Case ID - Use the CII Case ID of the case being worked
- Employee number- Use your IDRS employee number

(3) Send the case to ICT for association through the exception scanning.

3.11.6.4.3
(01-02-2025)
Tax Period

(1) Amended returns must be for a specific tax period. When the tax period is missing and you can't determine the tax period from return information or attachments, research IDRS for matching tax data.

Note: If the tax period is incorrect on a case, update the case data to the correct tax period per IRM 3.11.6.4.8, Updating Case Data.

- (2) If the tax period can be determined, edit the tax period on the front of the return above the Entity section in YYMM or YYYYMM format or mark the appropriate box, if available.
- (3) If you can't determine the tax period through IDRS research, correspond unless return is being sent to another function. Correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins, and use the tax period of the CII case when sending the letter.
- (4) If the taxpayer submitted an amended return for multiple tax periods on a single amended return, correspond. See IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

3.11.6.4.4
(01-02-2024)
Taxpayer Identification Number (TIN)

(1) To process a return, the taxpayer must have a Taxpayer Identification Number (TIN). The IRS uses four different types of TINs when processing Individual Master File (IMF) Taxpayer accounts. The following table contains the type of TINs and their format:

Taxpayer Identification Number (TIN) Type	Format
Social Security Number (SSN) - If followed by an asterisk (*) it is a temporary or "invalid" number.	xxx-xx-xxxx
Individual Taxpayer Identification Number (ITIN) - This number is assigned by the Austin campus ITIN Operation as a result of an accepted W-7, Application for IRS Individual Taxpayer Identification Number, or W-7SP application.	9xx-NN-xxxx Note: The fourth and fifth digits of a valid ITIN range are: - 50 through 65 - 70 through 88 - 90 through 92 - 94 through 99
Adoption Taxpayer Identification Number (ATIN) - This number is assigned by the Austin campus as a result of an accepted W-7A application.	9xx-93-xxxx (always "93" for 4th and 5th digits)

Taxpayer Identification Number (TIN) Type	Format
Internal Revenue Service Number (IRSN) - This number is assigned by the IRS.	9xx-NN-xxxx Note: The fourth and fifth digits of an IRSN are the IRS service center code. See IRM 3.13.5.23, Internal Revenue Service Number (IRSN) Format.

- (2) For ITINs, see IRM 3.11.6.16.14.2, Individual Taxpayer Identification Number (ITIN) Status.
- (3) If the Primary TIN (P-TIN) or secondary TIN (S-TIN) is missing, incorrect, or illegible for a taxpayer with the filing status of married filing jointly, research per IRM 3.11.6.12.1, Entity Changes. If found, edit to the appropriate field on the amended return.

Note: When processing a case, update the Case Data to correct P-TIN per IRM 3.11.6.4.8, Updating Case Data.

- (4) If you have exhausted all resources and are still unable to determine the P-TIN and/or S-TIN, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (5) Send to AM, if:

- a. The taxpayer makes changes to the primary or secondary taxpayer's TIN.
- b. The P-TIN or S-TIN is invalid.
- c. The primary or secondary taxpayer is changing from an ITIN or IRSN to an SSN.
- d. The primary or secondary taxpayer's account is set up on the invalid segment of master file (which requires an asterisk after the TIN (000-00-0000*). A pound sign after the TIN (000-00-0000#) is an indication of a newly assigned TIN. Don't treat as an invalid TIN.

Exception: If the filing status is MFS (FS 3), the spouse's TIN may show an asterisk after the TIN. This mustn't be considered an invalid TIN and can be worked as normal.

- e. A filing status change to Married Filing Jointly (MFJ) and both taxpayers have already filed.
- f. The case involves merged (re-sequenced) account and an update to CC DDBCK or CC DUPED is required.

Note: A merged (re-sequenced) account will have a transaction code 011, 013, 040 or 041 on CC ENMOD.

- g. Mixed entity cases where more than one taxpayer has attempted to file under the same TIN and:
 - It isn't possible to verify the correct TIN through research, or
 - Research verifies that both individuals have used the TIN in other tax years, or
 - CC INOLES shows that both taxpayers have been listed under this TIN

- h. Scrambled SSN cases where CC INOLES has an entry beside the Scrambled SSN Prompt and Numeric Indicator, except blank, 00, 08, 21, or 22.
 - i. For TY 2019 and later, if the taxpayer indicates a religious (e.g., “Amish”, “Mennonite”, or “Form 4029”, Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits) or conscience-based objection to obtaining a taxpayer identification number (TIN).
- (6) If the taxpayer is filing MFJ and there’s no TC 150 posted for the primary’s TIN, research the secondary’s TIN for a TC 150. TC 594 may be present. See IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150).

3.11.6.4.4.1
(01-02-2024)
**Protecting Americans
from Tax Hikes (PATH
Act)**

- (1) The Protecting Americans from Tax Hikes Act (PATH Act) was enacted December 18, 2015. The PATH Act prohibits taxpayers from retroactively claiming certain credits for any tax year in which the taxpayer, spouse or qualifying child doesn’t have a valid TIN issued on or before the due date, or extended due date, of the return or, if the taxpayer, spouse, or qualifying child has an inactive TIN.
- (2) The PATH Act applies to:
- Child Tax Credit (CTC)
 - Additional Child Tax Credit (ACTC)
 - Credit for Other Dependents (ODC)
 - American Opportunity Credit (AOTC) - both refundable and non-refundable
 - Earned Income Tax Credit (EITC)
 - CP notices 08, 09 and 27
- (3) Credit-specific eligibility requirements apply in addition to the PATH Act criteria. A TIN that is valid to claim a particular credit may not be valid to claim a different credit.
- (4) The PATH Act prohibits current year refunds of EITC or ACTC before February 15. All amended returns without a C- freeze that add EITC or ACTC must be held until then.
- (5) The TIN validations required by the PATH Act isn’t applied to superseding returns that have already passed TIN validations.

Exception: If there’s a TIN present on the superseding return that wasn’t on the original return, the new TIN requires PATH Act validation.

- (6) If processing W-7 returns, see IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7).
- (7) Don’t remove PATH Act credits previously allowed due to a filing status change to married filing jointly (MFJ) unless initiated by the taxpayer. Apply the PATH Act using the following table:

Exception: If EITC is involved, see IRM 3.11.6.14.4, Earned Income Credit (EIC) - Line 14.

If ...	And ...	Then ...
The spouse has a newly assigned ITIN	The XRET is for the current processing year, or the assignment date is more than 90 days after the return due date or due date as extended for a prior year	Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and follow (8) below.
The spouse has an SSN	The SSN was issued after the return due date	Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and follow (8) below.
The spouse has an SSN	The SSN was issued on or before the return due date or due date as extended	Process the return.
The spouse has a newly assigned SSN	The SSN was issued after the return due date and EITC is increasing	Disallow the additional EITC. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Don't remove existing EITC.
The spouse has a newly assigned SSN	The SSN was issued after the return due date and EITC is decreasing	Decrease the EITC.
The spouse has a newly assigned SSN	The SSN was issued on or before the return due date	Process the return.

- (8) Research is required prior to adding PATH Act credits. To qualify, the correct TIN required for the particular credit(s) claimed must have been assigned on or before the due date, or due date as extended, of the return being processed. Use CC INOLES - TIN ASGNMT to research when the TIN was issued.

If ...	Then ...
The "TIN ASGNMT" field contains a date on or before the due date of the return Note: ITINs assigned within 7 days of the return due date are considered timely.	Allow the credit if all other criteria are met.
The "TIN ASGNMT" field is all zeros	Allow the credit if all other criteria are met.
The "TIN ASGNMT" field contains a date after the due date of the return	Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP) and follow (9) below.

(9) When a PATH Act credit(s) has been disallowed, input a TC 971 AC 113.

- Use the received date for the transaction date.
- Enter the total of all PATH Act credit(s) claimed on Form 1040-X that are being disallowed in the “Freeze Release>” field.

3.11.6.4.4.2
(01-02-2024)

TIN requirements for Exemptions and Credits

(1) The tables below provide a quick reference to determine the TIN requirements for exemptions and certain credits. Always research for specific requirements including but not limited to the form, statute, and PATH Act.

Note: For EITC, CTC, ODC, AOTC, and RRC, all TINs must be issued before the due date, or extended due date, of the return.

(2) For Exemptions

Note: The Tax Cuts and Jobs Act of 2017 (TCJA), enacted on Dec. 22, 2017, suspended personal and dependent exemptions for tax years beginning on January 1, 2018, and before Jan. 1, 2026. For tax years 2018-2025, dependents are for credit eligibility.

Type of TIN	Valid SSN	Valid ITIN (active)	Valid ATIN
Primary TIN	Yes	Yes	N/A
Secondary TIN	Yes	Yes	N/A
Dependent TIN	Yes	Yes	Yes

(3) Earned Income Tax Credit

Type of TIN	Allowed with valid SSN	Allowed with valid ITIN (active)	Allowed with valid ATIN	Allowed with FS 3 (MFS) for TYs 2020 and prior	Allowed with FS 3 (MFS) for TYs 2021 and later
Primary TIN	Yes	No	N/A	No	No, unless taxpayer files Schedule EIC
Secondary TIN	Yes	No	N/A	No	No, unless taxpayer files Schedule EIC
EITC qualifying child	Yes	No	No	No	Yes

Note: The SSNs for the primary, secondary (if FS 2), and the EITC qualifying child(ren), must all be valid for EITC to be allowed. An SSN is valid for the EITC unless it was issued after the due date of the return (including extensions), or it was issued solely to apply for or receive a federally funded benefit and does not authorize the individual to work.

(4) Child and Dependent Care Expenses

Type of TIN	Allowed with valid SSN	Allowed with valid ITIN (active)	Allowed with valid ATIN	Allowed with FS 3 (MFS)
Childcare provider on Form 2441	Yes	Yes	N/A	Yes
Child's TIN on Form 2441	Yes	Yes	Yes	Yes

Note: For the provider TIN requirement, see IRM 3.11.6.14.2.2.1, Form 2441, Credit for Child and Dependent Care Expenses.

(5) **Other Credits**

Credit	Allowed with valid SSN	Allowed with valid ITIN (active)	Allowed with valid ATIN	Allowed with FS 3 (MFS)
Child Tax Credit / Additional Child Tax Credit (tax years 2018 - 2025)	Yes	<ul style="list-style-type: none"> Primary - Yes Secondary - Yes Dependent - No 	<ul style="list-style-type: none"> No 	Yes
Lifetime Learning Credit (LLC)	Yes	Yes	Yes	No
American Opportunity Tax Credit (AOTC)	Yes	Yes	Yes	No
Credit for Other Dependents (ODC)	Yes	Yes	Yes	Yes
Recovery Rebate Credit	Yes	No, but the RRC is not disallowed to a taxpayer with an ITIN if the spouse or qualifying dependent on the return has a TIN (SSN or ATIN) that is valid for the RRC. The allowable RRC amount is based on the number of taxpayers and dependents on the return who qualify and have a valid TIN, except that if one spouse is a member of the military and the spouses file jointly, then only one spouse needs to have a valid SSN for the couple to claim RRC for both spouses.	<p>Yes</p> <p>Note: The ATIN could be issued at any time.</p>	Yes

3.11.6.4.5
(01-02-2024)
Received Date

- (1) Every return must be stamped with a received date stamp. An Official Received Date Stamp must consist of no less than:

- The word “Received”
- Month (alpha or numeric)
- Day - (for example, can be “1” or “01”)
- Year - four digits
- “Area Office (AO)”, “Lockbox (LB)”, Campus, “Field Office”, “Taxpayer Assistance (TAC)” plus the location city, or functional area within one of these sites (e.g., Compliance Service Collections Operation (CSCO), Exam, Image Control Team (ICT), Correspondence Imaging Inventory (CII), Accounts Management (AM), etc.)

Note: Not all IRS offices are designated places for filing, and not all IRS employees are authorized to accept a tax return for processing. If a return contains a received date stamp from other than a Taxpayer Assistance Center (TAC), Lockbox, or IRS campus (Compliance, Accounts Management (AM), or Submission Processing (SP)), circle out the invalid received date and edit the correct received date according to instructions in paragraph 4 below. For example, returns received by Taxpayer Advocate Service (TAS) or the IRS Office of Chief Counsel are not properly filed and a received date by that office isn’t the official “IRS Received Date.”

- (2) On MEFP cases, the RRD field labeled “Received Date” is the received date of the return. The RRD field labeled “IRS Received Date” is an electronic postmark used to determine return timeliness.

Note: See the *1040-X Job Aid* for additional information.

- (3) If the Received Date stamp on a MEFS case is missing from the front page, or is illegible, but is found elsewhere in the return packet, add the received date to the front of the return in MMDDYY or MMDDYYYY format in the blank space above line 1.

Caution: When editing the received date, check the case data and update if needed.

- (4) Use the following table for CII cases processed by SP 1040-X:

If ...	Then ...
Editing a received date is required on a case imaged into CII.	Use the CII “Annotation Toolbar” to add the received date.
A case has multiple identical images with multiple received dates.	Use the received date from the earliest complete return.

- (5) Honor received dates that are handwritten in the center portion of the amended return edited in:

- Green ink on current year returns received **with payments** as the return received date.
- Red ink located in the center portion of the amended return.

Caution: When working a scanned CII case, the image is in black and white. Honor the received date handwritten in the center portion of the amended return.

- (6) If the Received Date stamp isn't found or is obviously incorrect, edit the received date based on the order of precedence below in the same format and location as stated in (3) above.
 - a. Latest postmark or designated private delivery service mark on the envelope
 - b. IRS service center Automated Mail Processing System (SCAMPS) date
 - c. Signature Date (only if the return was signed in the current year)
 - d. Current date

Caution: Using a received date later than the ICT date is an obviously incorrect date and mustn't be used. In this instance, use the ICT date if an earlier received date is not found on the return.

- (7) When there are multiple received dates stamped, or edited, on the return and you're adjusting or sending an amended return to another area, use the earliest received date. When processing replies to correspondence, see IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C), IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), or IRM 3.11.6.7.10, Statute Review Screening.
- (8) Input the received date of the return you're processing as the received date on IDRS. If the received date of the return doesn't match the established control base, see IRM 3.11.6.3, Controlling Cases on the Correspondence Imaging Inventory (CII) System.

Exception: For Statute returns, see IRM 3.11.6.7.10, Statute Review Screening.

- (9) **OVERRIDE CODE** - An Override Code is required when the IRS Received Date is over one year old and on cases when the Refund Statute Expiration Date (RSED) has expired.
 - a. R - Allows IRS Received Date to be older than a year in the past.
 - b. S - Allows current date and the Refund Statute Control Date (RFSCD) to be later than the RSED. Refer to IRM 3.11.6.7.10, Statute Review Screening.

3.11.6.4.5.1
(08-11-2021)

Determining Timeliness

- (1) Always use the received date when determining timeliness of the claim. If the received date is missing, see IRM 3.11.6.4.5, Received Date. When the calendar days of the due date of the return timely.

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Reminder: On MEFP cases, the RRD field labeled "Received Date" is the received date of the return. The RRD field labeled "IRS Received Date" is an electronic postmark used to determine return timeliness. See the *1040-X Job Aid* for additional information.

- (2) April 16 is Emancipation Day in Washington D.C., a legal holiday. This may affect when a return is considered to be timely filed for taxpayers throughout the United States. See also IRM 25.6.1.6.18, List of Legal Holidays.

- a. When April 15 falls on a Sunday, the following Monday is generally the day on which returns are timely filed; however, in Washington D.C., April 16 is Emancipation Day, a legal holiday. All taxpayers have until Tuesday April 17 to file a timely return.
- b. When April 16 falls on a Saturday, Friday April 15 is considered the holiday. All taxpayers have until Monday April 18 to file a timely return due to the Emancipation Day holiday.
- c. When April 16 falls on a Sunday, Monday April 17 is the date of the Emancipation Day holiday. All taxpayers have until Tuesday April 18 to file a timely tax return due to the Emancipation Day holiday.

(3) Use the following table to determine if the claim is considered timely filed:

If April 15 falls on ...	Then the postmark must be ...
Friday	April 18 or earlier.
Saturday	April 18 or earlier.
Sunday	April 17 or earlier.

Caution: Disaster declarations may impact return due dates.

- (4) According to *Notice 2020-23*, the due date for TY 2019 tax returns was postponed to July 15, 2020.
- (5) According to *Notice 2020-23*, the due date for TY 2020 tax returns was postponed to May 17, 2021.
- (6) These timeliness instructions affect the processing of:
 - Statute returns, see IRM 3.11.6.16.1, Processing Statute Cases
 - Superseding returns, see IRM 3.11.6.4.5.2, Superseding Returns
 - Returns involving PATH Act credits, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act)

3.11.6.4.5.2
(01-02-2024)
Superseding Returns

- (1) The due date of a calendar year individual income tax return is April 15.

Note: A fiscal year individual income tax return is due the fifteenth day of the fourth month following the close of the fiscal year.

- (2) The due date may be changed due to Presidential disaster declarations.
- (3) An amended return:
 - Filed on or before the due date or the extended due date is a superseding return.
 - Postmarked on or before the due date or extended due date, is processed as a superseding return.
- (4) Send to AM any superseding return if:
 - The adjustment would result in an unpaid net balance due increase on the module.

- The refund claim must be disallowed, partially disallowed, or not considered, leaving the account with a balance due instead of a refund.

3.11.6.4.5.3
(09-25-2020)

Amended Claims Date

- (1) The Amended Claims Date is a REQ54 field that is used by Master File to apply the 45-day interest free period.
 - a. Use the IRS Received Date as the Amended Claims Date.
 - b. For suspended correspondence, the Amended Claims Date is the received date of the taxpayer's reply that allows you to process the return.
 - c. An Amended Claims Date is required on every adjustment unless specifically noted otherwise.
- (2) Don't use an Amended Claims Date when processing CP 08, CP 09, CP 27 or Math Error Corrections (only when the math error was set on the original return).
- (3) When making a received date determination, see IRM 3.11.6.4.5, Received Date.

3.11.6.4.6
(01-02-2025)

Signature

- (1) The claim or amended return requesting an adjustment must be signed by (1) the taxpayer or (2) a person holding a valid Power of Attorney (POA) who has been authorized by the taxpayer to sign the taxpayer's return by checking box on Form 2848, line 5a. The signature(s) is required anywhere below the jurat (perjury statement), but not in the paid preparer section on amended returns. If an original signature isn't present on a CII case, correspond per IRM 3.11.6.10, Correspondence Procedures, IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C), IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (2) See IRM 3.11.6.16.15 (8), Computer Paragraph (CP) Notices, for CP 08, CP 09, and CP 27 signature requirements.
- (3) All accepted e-filed returns have a valid signature.

Caution: Rejected e-filed returns may also be present on RRD. Only accepted returns are sent to SP 1040-X for processing.

- (4) If the jurat has been altered, treat it as a Frivolous claim.
- (5) If the jurat is missing, treat it as an unsigned return and correspond for the missing signature(s) using Letter 324C to obtain the signature. Process the net balance due per IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).
- (6) Don't correspond for a missing or incorrect signature(s) if:
 - a. A "Dummy" return was prepared by the IRS.
 - b. A fiduciary representative or parent for other than a minor child signs for
 - c. Form 2848, Power of Attorney and Declaration of Representative, with specific authorization on line 5a to sign a return, and including completed Part II, is attached to the return. See IRM 3.11.6.4.6.1, Centralized Autho-

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rization File (CAF) - Form 2848, Power of Attorney (POA) and Form 8821 (TIA) and General /Durable POAs.

- d. The return is a duplicate.
- e. Taxpayer files MFS (FS 3) and spouse didn't sign the return.
- f. The return is a substantiated math error response.
- g. The claim meets routing criteria unless otherwise specified.

Note: For decedent returns, see IRM 3.11.6.16.10, Decedent Returns.

- (7) If Form 1040-X isn't signed, however a Form 1040 matching the Correct Amount column of Form 1040-X is attached and signed, accept the signature and continue processing the return. Edit a notation onto the signature line, if present, on Form 1040-X indicating that the Form 1040 is signed. Otherwise edit the notation on the front bottom portion of Form 1040-X.
- (8) Correspond for the signature of two witnesses, if missing, when the taxpayer signs with a mark such as an "X". See IRM 3.11.6.10, Correspondence Procedures.
- (9) Joint returns require the signature of both taxpayers unless one of the taxpayers falls into one of the categories below:
 - a. One spouse is overseas, and the signing spouse is authorized by a power of attorney (e.g., Form 2848) or similar signed document which clearly defines the scope of authorization granted to the POA.
 - b. One spouse is in a combat zone/qualified hazardous duty area and the signing spouse attaches a statement.
 - c. One spouse is incapacitated. The signing spouse must attach a dated statement explaining the reason the incapacitated taxpayer can't sign. The signing spouse signs on the signature line as well as the spouse's signature line.

Caution: Incapacitated means the taxpayer is physically unable to sign the return. In the case of a mentally incompetent taxpayer a court appointed representative who can act for the taxpayer must sign the tax return.

 - d. If MFJ return with only one signature and the taxpayer is divorced or separated, send the case to AM.
- (10) If the taxpayer is a minor (there must be a clear indication the child is a minor) the return must be signed by one of the following:
 - The minor child
 - A parent
 - A guardian or other fiduciary representative with documentary evidence is attached

Note: Fiduciary representatives include:

- Administrator (ADM)
- Conservator (CONS)
- Custodian (CUST)
- Executor (EXEC)
- Guardian (GDN)
- Personal Representative (PER REP)
- Trustee (TTEE)

- (11) If taxpayer is a minor and the return is not signed, correspond for a missing signature. See IRM 3.11.6.10, Correspondence Procedures.

3.11.6.4.6.1
(01-02-2025)

**Centralized
Authorization File (CAF)
- Form 2848, Power of
Attorney (POA) and
Form 8821 (TIA) and
General /Durable POAs**

- (1) The CAF maintains a database of authorized representatives who are permitted to sign for the taxpayer. The CAF unit assigns unique identifiers (CAF numbers) to the representative(s) based on Form 2848, Power of Attorney and Declaration of Representative (POA), and acceptable General/Durable POAs submitted.
- (2) Taxpayers occasionally submit a tax return that has been signed by their enrolled agent or some other representative. The taxpayer must attach a Form 2848 or other acceptable power of attorney that specifically authorizes the representative to sign a return on the taxpayer's behalf. See Form 1040 (and 1040-SR) Instructions. Or a Form 2848 authorizing the representative to sign a return may be on file with the CAF unit.

Note: For married filing joint (FS 2) accounts, each taxpayer must execute their own power of attorney or tax information authorization on a separate Form 2848 even if the same representative/appointee is provided.

- (3) Taxpayers may also submit a Form 8821, Tax Information Authorization and Declaration of Representative (TIA), as documentary evidence for signing the tax return; however, Form 8821 doesn't authorize the signing of the return. If Form 8821 is present, detach and follow the routing instructions in paragraph 8.
- (4) Correspond for a Form 2848, per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins, if the taxpayer submits a Form 8821 and the return is signed by someone other than the taxpayer.
- Form 2848 isn't attached and the signature on the return doesn't match a representative listed on CFINK, or no record is found, or SIGN: field on CC CFINK is marked "NO".
 - The taxpayer submits a Form 8821 and the return is signed by someone other than the taxpayer.
- (5) When the taxpayer submits a General/Durable POA, leave the document attached to the return and continue processing.
- (6) If Form 2848 is attached specifically authorizing a representative to sign a return, follow the table below when processing a CII case.

Caution: If line 4 of Form 2848 or Form 8821 is checked, continue processing the return, don't detach or send to the CAF unit.

If ...	And ...	Then ...
The signature on the return matches a representative listed on CC CFINK or the Form 2848 is already on file, including specific authorization to sign a return.	SIGN: field on CC CFINK is marked YES	Continue processing the return.

If ...	And ...	Then ...
The signature on the return doesn't match a representative listed on CFINK, or no record is found, or SIGN: field on CC CFINK is marked "NO"	Form 2848 is attached specifically authorizing the representative to sign a return	Print the case to PDF and follow the steps below: 1. Go to the page(s) with Form 2848 and print just the Form 2848 to a PDF. 2. E-fax the Form 2848 PDF to the CAF unit per paragraph 7 below. 3. Leave a case note stating, "Form 2848 sent to CAF". 4. Continue processing the case.
The signature on the return doesn't match a representative listed on CFINK, or no record is found, or SIGN: field on CC CFINK is marked NO	Form 2848 isn't attached	Correspond IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
Taxpayer signs the return and Form 2848 is attached	The representative(s) isn't listed or there's a change to the type of "Authorization" on CC CFINK	Print the case to PDF and follow the steps below: 1. Go to the page(s) with Form 2848 and print just the Form 2848 to a PDF. 2. E-fax the Form 2848 PDF to the CAF unit per paragraph 7 below. 3. Leave a case note stating, "Form 2848 sent to CAF". 4. Continue processing the case.

- (7) Use the following addresses when routing a Form 2848 or Form 8821 to a CAF Unit:

SP 1040-X Site	Fax Numbers	Address
Austin, Kansas City, and Memphis	855-214-7519	Internal Revenue Service 5333 Getwell Rd. Mail Stop 8423 Memphis, TN 38118
Ogden	855-214-7522	Internal Revenue Service 1973 N Rulon White Blvd Mail Stop 6737 Ogden UT 84201

- (8) Don't detach any "Worksheets" provided by the military to personnel assigned to a Combat Zone. They aren't considered a POA in lieu of Form 2848. See IRM 3.11.6.16.4, Combat Zone.

- (9) If correspondence attached to the return is unrelated to the amended return and must be sent to another functional area, attach a PDF copy of the POA or TIA to the correspondence. Indicate that the form has been detached and sent to the CAF unit.

3.11.6.4.7
(01-02-2025)

**Processing Presidential
Election Campaign Fund
(PECF) Requests**

- (1) Congress established the Presidential Election Campaign Fund (PECF) to support financing of presidential election campaigns.
- Taxpayers may file an amended return to designate a part of the tax liability to the PECF, if not specified on the original return.
 - The amended return must be filed within 20 and one-half months after the original due date for filing the return.
 - For calendar year 2024, this period ends on December 30, 2026.
 - For calendar year 2023, this period ends on December 30, 2025.
 - For calendar year 2022, this period ends on December 30, 2024.
 - For calendar year 2021, this period ends on December 30, 2023.
 - For calendar year 2020, this period ends on December 30, 2022.
- (2) If the PECF request isn't received timely and the only change is to the PECF, then "no consider" the claim and use the fill-in: **We were unable to honor your Presidential Election Campaign Fund (PECF) request. On an amended return, PECF requests must be filed within 20 and one-half months after the original due date for filing the return.**
- (3) The taxpayer may request that \$3 go to the Presidential Election Campaign Fund (PECF) by checking one or both boxes on page 1 of Form 1040-X, Amended U.S. Individual Income Tax Return, or an amended Form 1040, U.S. Individual Income Tax Return, and amended Form 1040-SR, U.S. Tax Return for Seniors.
- (4) Research the "POLITICAL CHECKOFF" field on CC IMFOLR to determine if a change to the election is required. The field is coded as follows:

Code	Election Type
0	None elected.
1	One elected on original return.
2	Two elected on original return.
3	One elected on amended return, none on original return.
4	Two elected on amended return, none on original return.
5	Two elected on amended return, one original return.

- (5) Only take action on an amended return with a PECF designation change from "No" to "Yes." A "Yes" designation may not be changed.
- (6) Don't process a PECF request on any return that is being routed.
- (7) If the return meets correspondence criteria and an adjustment isn't input, don't process the PECF request. Correspond as required.

- (8) Prepare a "dummy" Form 1040-X when the taxpayer indicates an addition to the PECF and send the case to Batching. Prepare the "dummy" as follows:
- Edit "Dummy PECF" in the top margin of a blank Form 1040-X.
 - The tax period
 - The primary name control
 - The primary SSN and secondary SSN.
 - Check the appropriate filing stratus check box
 - IMF Condition Code (CCC) "5" to the right of filing status just above Column C if one PECF box is checked. Edit CCC "6" if two boxes are checked.
 - The received date in MMDDYY format in the center portion.
 - Check the appropriate PECF box(es), in Part II on the second page of the Form 1040-X.
 - Edit "CII case - Don't correspond for signature" in the signature area.
 - Your employee number in the upper left margin.
 - Edit the CII Case Id next to your TE number.
 - Input Case Note "PECF Prep".

3.11.6.4.8
(01-02-2024)

Updating Case Data

- (1) The case data for cases received in Submission Processing (SP) 1040-X have the following elements:

Note: An E-1 error can occur when there is an issue the case data. refer to IRM 3.11.6.4.8.1, CII Cases with an E-1 Error.

- TIN (Taxpayer Identification Number)
- MFT (Master File Tax)
- TXPD (Tax Period)
- NC (Name Control)
- IRS Rcvd Dt (IRS Received Date)
- Work Type
- Doc Type (Document Type)
- Category
- Program
- Function

- (2) Use the following table to ensure the case data is correct and update as appropriate.

If the CII case is a ...	Then use ...
1040-X or amended 1040	<ol style="list-style-type: none"> The TIN of the Primary Taxpayer. MFT "30". The TXPD of the return. The NC of the Primary Taxpayer. The IRS Rcvd Dt of the return. Work Type "IMF". Doc Type "SP 1040X". Category "MEFP" for MeF cases, and "MEFS" for scanned cases. Program "44490" for MEFP cases, and "44450" for MEFS cases. Function "ADJ-710".

If the CII case is a ...	Then use ...
W-7 1040-X or amended 1040 Note: A W-7 return can be identified by a "W-7" stamp on the return image. Generally, the stamp is located in the lower left corner of the return.	<ol style="list-style-type: none"> 1. The TIN of the Primary Taxpayer. 2. MFT "30". 3. The TXPD of the return. 4. The NC of the Primary Taxpayer. 5. The IRS Rcvd Dt of the return. 6. Work Type "IMF".] 7. Doc Type "SP 1040X W7". 8. Category "MEFS". 9. Program "44452". 10. Function "ADJ-710".
Computer Paragraph (CP) 27 Notice	<ol style="list-style-type: none"> 1. The TIN of the Primary Taxpayer. 2. MFT "30". 3. The TXPD of the CP Notice. 4. The NC of the Primary Taxpayer. 5. The IRS Rcvd Dt of the return. 6. Work Type "IMF". 7. Doc Type "SP 1040X CP 27". 8. Category "MEFS". 9. Program "40000". 10. Function "ADJ-710".
CP 09	<ol style="list-style-type: none"> 1. The TIN of the Primary Taxpayer. 2. MFT "30". 3. The TXPD of the CP Notice. 4. The NC of the Primary Taxpayer. 5. The IRS Rcvd Dt of the return. 6. Work Type "IMF". 7. Doc Type "SP 1040X CP 09". 8. Category "MEFS". 9. Program "40002" or "40412" if the case is received through the DUT. 10. Function "ADJ-710".
CP 08	<ol style="list-style-type: none"> 1. The TIN of the Primary Taxpayer. 2. MFT "30". 3. The TXPD of the CP Notice. 4. The NC of the Primary Taxpayer. 5. The IRS Rcvd Dt of the return. 6. Work Type "IMF". 7. Doc Type "SP 1040X CP 08". 8. Category "MEFS". 9. Program "40003" or "40413" if the case is received through the DUT. 10. Function "ADJ-710".

- (3) The data displayed in the Case Data section must be updated by clicking the "Update Data" button, when reassigning a case. See IRM 3.11.6.9, 1040-X Re-assignment and Reroute Guides.
- (4) The Statute Search field must be changed to Yes, once a CII case has been returned from the statute unit indicating "No Statute Issue(s)."

3.11.6.4.8.1
(01-02-2024)

CII Cases with an E-1 Error

- (1) An E-1 error occurs when:
 - a. The name control (NC) used to create the case doesn't match IDRS.
 - b. The taxpayer identification number (TIN) used to create the case is incorrect.
 - c. The case control was closed on IDRS, but not closed in CII.
- (2) The issue causing the E-1 error must be resolved before taking action on the case. If you're unable to resolve the E-1 error take the following action:
 1. Input a case messages stating "E-1 error."
 2. Suspend the case to your lead or manager to resolve the error. Once the error has been resolved, the case will be returned to you for processing.

3.11.6.4.9
(04-25-2024)

Cases Requiring Translation

- (1) Occasionally, an amended return will be received with the explanation of changes, or attached statement(s), in a non-English language. When this occurs, don't use internet provider translation services, digital assistants, or Apps available on personal devices.
- (2) Send all cases requiring translation to AM.

3.11.6.5
(01-02-2024)

Screening Criteria for Processable Return

- (1) Screen the amended return and research IDRS for any Transaction Code(s) or Freeze Code(s) that require special attention to determine if:
 - a. Routing criteria is present
 - b. The claim is complete
 - c. The claim is allowable
 - d. The claim is processable
- (2) Before inputting any changes to a Form 1040-X, check for any issue(s), freeze codes, transaction codes, math error condition, tax period, No TC 150, etc. that require routing to another area. See IRM 3.11.6.8, 1040-X Routing Guide.
- (3) If the return isn't sent to another area, check for the following items that may require correspondence or additional action if missing or invalid:
 - Primary TIN
 - Tax period
 - Signature
 - Received date
 - Presidential Election Campaign Fund (PECF) boxes checked requiring preparation of a "dummy return"
 - Forms, schedules, or other required information
- (4) Unless otherwise specified, input the adjustment if the claim is processable, doesn't meet routing criteria, or require correspondence.
- (5) If working a MEFS case and the case requires Form 1040-X be converted to a Form 1040 or Form 6114, follow the association process in IRM 3.11.6.4.2, Association, Forms, Schedules, and Other Documents to CII Cases, prior to routing.

3.11.6.5.1
(02-14-2024)

**Transaction Code (TC)
150 Research (No TC
150)**

- (1) All amended claims require a posted TC 150, unless specifically instructed. Specific instructions to route a case without a posted TC 150 take priority. Research IDRS using the primary taxpayer's TIN to locate a TC 150 for the tax period indicated on the return. Researching for a TC 150 includes researching both the valid and invalid sides of Master File. To research the invalid side, input an asterisk after the TIN.

Note: It might be necessary to research different tax years if the information on the return or the data on IDRS support a different tax period.

If ...	And ...	Then ...
Researching the primary taxpayer's TIN	A TC 150 wasn't found under the primary taxpayer's TIN	Research CC TRDBV for tax data. If the tax data is present or is pending (must be present on primary taxpayer for MFS (FS 3)) suspend the case for 60 days from the received date and monitor for the TC 150 to post. Don't consider REJECTED, DELETED OR VOIDED on CC TRDBV as tax data. Note: A Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, won't post as a TC 150, and isn't considered tax data. Exception: If you find master file information on CC TRDBV, but there's not information posted on MFT 30 research CC IMFOLI to see if information has posted to MFT 32 and if present, treat the case as identity theft. See IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
Researching the primary taxpayer's TIN	A TC 150 wasn't found under the primary taxpayer's TIN	Look though the entire return for a different TIN for the primary taxpayer, including taxpayer's explanation. If a different TIN is found, research for a TC 150 using the discovered TIN.
A TC 594 is present	The case is a married filing joint return	Research for a TC 150 using the cross-reference TIN.
A TC 594 is present	The case isn't a married filing joint return	Research for a TC 150 using the cross-reference TIN.
The case is a married filing joint return	A TC 150 hasn't been found	Research for a TC 150 using the secondary taxpayer's TIN.
There are dependents present on the return	A TC 150 hasn't been found	Research the dependent(s) TIN using CC DDBKD or CC DUPED for different primary TIN.

If ...	And ...	Then ...
There are dependents present on the return	A different TIN wasn't found for the primary taxpayer and the case is a married filing joint return	Research the dependent(s) TIN using CC DDBKD or CC DUPED for different secondary TIN.
A TIN for the primary taxpayer, or secondary taxpayer if applicable, hasn't been found	A TC 150 hasn't been found	Use IAT Name Search Tool to locate a different TIN. It may be necessary to use multiple name combinations in order to locate a different TIN. If research shows the TC 150 for the primary or secondary taxpayer was filed under a different TIN: <ul style="list-style-type: none"> - Update the CII case data to reflect the taxpayer with the TC 150 present. - Input a TC 971 AC 120. - Send the case to AM. Exception: When the secondary taxpayer is changing from FS 2, don't update the TIN.
A different TIN hasn't been located	A TC 150 isn't present	Research ERS inventory. See paragraph 4 below.

(2) If a TC 150 is present, follow the table.

If ...	Then ...
The posted date is all zeros or blank and the return was received before cycle 21	Suspend the case using the "No TC 150 Posting Date" activity in the suspense menu.
The posted date is all zeros or blank and the return was received in cycle 21 or later	Suspend the case using the "No TC 150 Posting Date Received in Cycle 21 or Later" activity in the suspense menu.
The TC 150 is showing as an unpostable (Unnn 150)	See IRM 3.11.6.7.5, Taxpayer Protection Program (TPP) Screening, to determine if the case must be sent to AM. If it doesn't, suspend the case using the "Unnn TC 150" activity in the suspense menu.
The TC 150 is showing as a corrected unpostable (CU 150)	Suspend the case using the "CU TC 150" activity in the suspense menu.
The TC 150 is showing as a pending transaction (PN 150)	Suspend the case using the "PN TC 150" activity in the suspense menu.
The TC 150 is showing as rejected (RJ 150)	See paragraph 4 below for ERS research. If the case isn't in ERS, send to AM.
None of the above apply	Continue processing.

Note: If the TC 150 hasn't posted after the suspense period, send to AM

(3) If a TC 150 isn't present, follow the table.

If ...	Then ...
A TC 971 AC 124 is present	See IRM 3.11.6.7.5, Taxpayer Protection Program (TPP) Screening.
Form 4684 is present or the taxpayer indicates the case is a disaster claim	See IRM 3.11.6.16.2, Processing a Disaster Claim.
A TC 971 AC 506, 522, or 524 is present on CC ENMOD	See IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
<ul style="list-style-type: none"> A TC 971 AC 111 is present on CC IMFOLT or CC TXMODA CC IMFOLI indicates the return is on MFT 32 Form 14039 is attached or mentioned or the taxpayer indicates identity theft 	See IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
The case is for a Statute year	See IRM 3.11.6.7.10, Statute Review Screening.

(4) Use the following table to research ERS inventory.

If processing a ...	Then ...
MEFP case	Take the following action: <ol style="list-style-type: none"> Research RRD to see if the original return was e-filed. If the original return is present on RRD and the "Processing Status" field is "ERS SUSPENDED" or similar, send the case to your local ERS per IRM 3.11.6.9.1, 1040-X MEFP Reassignment and Reroute Guide. If the original return was paper filed, research ERS inventory using CC ERINV and CC ERINV@. If in ERS, send the case to your local ERS per IRM 3.11.6.9.1, 1040-X MEFP Reassignment and Reroute Guide.
MEFS case	Take the following action: <ol style="list-style-type: none"> Research RRD to see if the original return was e-filed. If the original return is present on RRD and the "Processing Status" field is "ERS SUSPENDED" or similar, send the case to your local ERS per IRM 3.11.6.9.2, 1040-X MEFS Reassignment and Reroute Guide. If the original return was paper filed, research ERS inventory using CC ERINV and CC ERINV@. If in ERS, send the case to your local ERS per IRM 3.11.6.9.2, 1040-X MEFS Reassignment and Reroute Guide.

Note: Refer to the *1040-X Job Aid* for IMF File Location Codes for use with CC ERINV@.

(5) If the ERS Status is "100" or "900," suspend for 5 working days. If after the suspense period a TC 150 is still not on the account, send the case to ERS.

(6) Use the following stop numbers when sending a case to ERS per paragraph 4 above. Prior to sending to ERS, change the case control activity to "SNT2ERS."

Reminder: The only suspend ERS cases that are in ERS Status "100" or "900." All other ERS Statuses must be sent to ERS without delay.

If ...	Then ...
The original return was e-filed	<ul style="list-style-type: none"> • Austin – Mail Stop 6122 AUSC • Kansas City – Mail Stop 6120 KCSC • Ogden – Mail Stop 6120 OSC • Memphis – Mail Stop 6122 AUSC
The original return was paper filed	<ul style="list-style-type: none"> • Austin – Mail Stop 6122 AUSC • Kansas City – Mail Stop 6120 KCSC • Ogden – Mail Stop 6120 OSC • Memphis – Mail Stop 6122 AUSC

- (7) If none of the instructions above apply, determine if the case needs to be suspended or routed.
- (8) If no TC 150 is found after all research has been exhausted:
- If Form 1040 isn't attached, see IRM 3.11.6.5.4, Form 1040-X without Form 1040 Attached (No TC 150).
 - If Form 1040 is attached, see IRM 3.11.6.5.2, Form 1040 Attached to Form 1040-X.
 - If Form 1040-X isn't attached, see IRM 3.11.6.5.3, Amended Form 1040 without Form 1040-X Attached.
 - For a Statute year return, see IRM 3.11.6.7.10, Statute Review Screening.

Note: When routing a no TC 150 case to Batching and there's an E- freeze on the account, input a TC 971 AC 002 to indicate the amended return is being re-processed as the original (to post as TC 150). The TC 971 AC 002 releases the E- freeze. When inputting the TC 971 AC 002 take the following action:

- In the "TRANS-DT" field, input the TC 976/977 date associated with the case you're processing as the transaction date.
- In the "XREF-TIN" field, input the TIN of the primary taxpayer.

Note: If the cross-reference TIN is the same as the account TIN, enter "R" to automatically populate the field.

- In the "XREF-TX-PRD" field, input the correct tax period.

Note: If the cross-reference tax period is the same as account tax period, enter "R" to automatically populate the field.

3.11.6.5.2
(01-02-2025)
**Form 1040 Attached to
Form 1040-X**

- After researching for a TC 150 per IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150), determine if the attached Form 1040 and Form 1040-X is for the same or different tax period.
- If the Form 1040 is for a different tax period than the Form 1040-X and:

- a. Form 1040 is being used as “support” for a carryback loss, keep the two returns together and treat as a carryback claim.
 - b. No TC 150 has posted for the tax period of Form 1040, detach Form 1040. Continue processing Form 1040-X.
- (3) When processing a case and no TC 150 has posted for the same tax period, follow the table below.

Reminder: When routing a no TC 150 case to Batching and there’s an E- freeze on the account, input a TC 971 AC 002 to indicate the amended return is being reprocessed as the original (to post as TC 150). The TC 971 AC 002 releases the E- freeze. When inputting the TC 971 AC 002 take the following action:

- In the “TRANS-DT” field, input the TC 976/977 date associated with the case you’re processing as the transaction date.
- In the “XREF-TIN” field, input the TIN of the primary taxpayer.

Note: If the cross-reference TIN is the same as the account TIN, enter “R” to automatically populate the field.

- In the “XREF-TX-PRD” field, input the correct tax period.

Note: If the cross-reference tax period is the same as account tax period, enter “R” to automatically populate the field.

If ...	And ...	Then ...
MEFP		<ol style="list-style-type: none"> 1. Print the entire amended return from RRD to PDF. 2. Circle the DLN. 3. Edit the PDF to circle any indication that the return is amended such as, “e-file GRAPHIC print - DO NOT PROCESS.” 4. “X” Form 1040-X. 5. Edit the PDF to add the received date. 6. Edit “No TC 150” and the current date in the upper left margin. 7. Line through the direct deposit fields. 8. Edit “MeF Return - Don’t correspond for signature” in the signature area. 9. Send the document to Batching.
MEFS	Form 1040 matches the Correct Amount, Column C, of Form 1040-X	<p>Take the following action:</p> <ol style="list-style-type: none"> 1. Use the CII Annotation tool to circle any indication that the return is amended such as, “e-file GRAPHIC print - DO NOT PROCESS.” 2. “X” Form 1040-X. 3. Annotate the received date if needed. 4. Annotate No TC 150 and the current date in the upper left margin. 5. Line through the direct deposit fields. 6. If the case is signed, annotate “CIS Image- Don’t correspond for signature” in the signature area. 7. Send the document to Batching.

If ...	And ...	Then ...
MEFS	Form 1040 doesn't match the Correct Amount, Column C, of Form 1040-X Note: Form 1040 may be notated As originally filed	Take the following action: <ol style="list-style-type: none"> 1. Convert taxpayer's Correct Amount figures using a Form 6114 or current year Form 1040, as appropriate. 2. Use the CII Annotation tool to circle any indication that the return is amended such as, "e-file GRAPHIC print - DO NOT PROCESS". 3. "X" Form 1040-X and the Form 1040(s) that doesn't match. Exception: When using Form 6114, don't "X" the Entity section. 4. Annotate the received date. 5. Annotate No TC 150 and the current date in the upper left margin. 6. Line through the direct deposit fields. 7. If the case is signed, annotate "CIS Image- Don't correspond for signature" in the signature area. 8. Send the document to Batching.
MEFS	Two Form 1040s are attached to a Form 1040-X <ul style="list-style-type: none"> • One may be notated "As originally filed" and doesn't match the correct amount column • The second may be notated "As amended" and matches the correct amount column 	Take the following action: <ol style="list-style-type: none"> 1. Use the CII Annotation tool to circle any indication that the return is amended such as, "e-file GRAPHIC print - DO NOT PROCESS". 2. "X" Form 1040-X and the Form 1040s notated "As originally filed". 3. Annotate the received date. 4. Annotate No TC 150 and the current date in the upper left margin. 5. Line through the direct deposit fields. 6. If the case is signed, annotate "CIS Image- Don't correspond for signature" in the signature area. 7. Send the document to Batching.

3.11.6.5.3
(01-02-2025)

**Amended Form 1040
without Form 1040-X
Attached**

- (1) Research for a TC 150 per IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150). If no TC 150 has posted, take the following action:

1. Use the CII Annotation tool to circle any indication that the Form 1040 is amended such as, "e-file GRAPHIC print - DO NOT PROCESS".
2. Annotate the received date if needed.
3. Edit "No TC 150" and the current date in the upper left margin.
4. Line through the direct deposit fields.
5. If the case is signed, annotate "CIS Image- Don't correspond for signature" in the signature area.
6. Send the document to Batching.

Reminder: When routing a no TC 150 case to Batching and there's an E- freeze on the account, input a TC 971 AC 002 to indicate the amended return is being reprocessed as the original (to post as TC 150). The TC 971 AC 002 releases the E- freeze. When inputting the TC 971 AC 002 take the following action:

1) In the "TRANS-DT" field, input the TC 976 or 977 date associated with the case you're processing as the transaction date.

2) In the "XREF-TIN" field, input the TIN of the primary taxpayer.

Note: If the cross-reference TIN is the same as the account TIN, enter "R" to automatically populate the field.

3) In the "XREF-TX-PRD" field, input the correct tax period.

Note: If the cross-reference tax period is the same as account tax period, enter "R" to automatically populate the field.

Note: When it appears that Code & Edit has corresponded for a signature (i.e., Form 3531 attached or notated in the working trail) and the return is still unsigned follow normal procedures to send the case to Entity.

3.11.6.5.4 (01-02-2024)

Form 1040-X without Form 1040 Attached (No TC 150)

- (1) After researching for a TC 150 per IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150), if no return has been filed and there's no specific instruction to route a case without a TC 150 present, suspend the case for 60 days from the IRS received date. Use the appropriate suspense activity code per IRM 3.11.6.2.1.1, 1040-X Suspense Activity Codes.

If ...	Then ...
The taxpayer previously had an ITIN or IRSN and is switching to a valid SSN	Suspend the case using the SSN for 60 days from the IRS received date. Use the appropriate suspense activity code per IRM 3.11.6.2.1.1, 1040-X Suspense Activity Codes.
If there's no specific instruction to route a case without a TC 150 present	Suspend the case for 60 days from the IRS received date. Use the appropriate suspense activity code per IRM 3.11.6.2.1.1, 1040-X Suspense Activity Codes.

- (2) After the 60-day suspense period has ended and there's still no posted or pending TC 150 follow the table below.

If ...	Then ...
There are payments on the account indicating a balance due, or a tax increase, or credit decrease on the amended return	Route the return to AM.
There are no payments on the account, or no tax increases, or credit decreases on the amended return	Don't input a TC 290 for .00. Send Letter 178C with the following fill-in: We've no record of receiving your original return, therefore we can't process your Form 1040-X, Amended U.S. Individual Income Tax Return. Please complete and submit a new Form 1040, U.S. Individual Income Tax Return, being sure to include your amended changes and your original signature(s). Please don't attach a Form 1040-X to your new Form 1040.

3.11.6.6
(02-17-2023)
**Master File Verification
and Math Verification
Screening**

- (1) Master file verification is required on all amended returns, CPs, and any miscellaneous claim adjustment prior to:

- Inputting an adjustment
- Initiating correspondence

Exception: Master file verification isn't required when corresponding for a missing tax period or TIN, or when a return has been perfected

- (2) Master file verification requires the comparison of lines 1-15 Column A on Form 1040-X, with CC IMFOL or CC TXMOD.

Caution: The American Rescue Plan Act of 2021 allows the taxpayer to exclude \$10,200 (MFJ - \$10,200 for each spouse) of Unemployment Compensation from income for the tax year 2020. Taxpayers may file a Form 1040-X with an incomplete Column A or incorrect Column A due to systemic recovery performed on these accounts. Refer to IRM 21.6.6.2.54, Unemployment Compensation Exclusion due to American Rescue Plan Act (ARPA) of 2021, and the *2020 Unemployment Compensation Exclusion (UCE) FAQs* found on [irs.gov](https://www.irs.gov) for additional information regarding the UCE.

- a. If any combination of lines in Column A don't match CC TXMOD and no math error (MTH-ERR) is present, then Math verification is required.
- b. Review AMS and CII Case Notes on cases worked by SP 1040-X.
- c. Be sure to consider all previous adjustments. If no changes can be identified see IRM 3.11.6.6.1, Duplicate Returns and Identical Open CII Cases.
- d. When Column A doesn't match and an amended Form 1040 series is attached matching Column C, adjust to the Column C amount(s).
- e. For single page returns with a payment made within a few days of the received date or "W-7" stamped returns, research IDRS to determine if it was for a payment or ITIN renewal only. If the preceding scenarios are applicable, treat as a duplicate return. See IRM 3.11.6.6.1, Duplicate Returns and Identical Open CII Cases.

- (3) When the amount shown on a supporting form or schedule differs from the amount shown on the Form 1040-X:

of Issues, C-Letters and Paragraph Fill-ins.

- (4) When a dependent is being removed, verify the taxpayer is removing credits associated with that dependent.

- (5) Math verification is required when one or more of the following are met:

- b. Column A entries don't match TXMOD or IMFOL (no math error code is present) and paragraph (2)(d) above doesn't apply.
- c. A math error is present. Also see IRM 3.11.6.16.6, Math Error Response Cases.
- d. There are amounts that are blank, illegible or incorrect.

Exception: Math verification isn't required when the claim doesn't meet SP criteria, the entry is off by a dollar due to rounding, or the error can be identi-

fied as a misplaced entry that results in no difference between the taxpayer’s expected refund or balance due and the overall adjustment being made.

- (6) Math verification includes doing the following:
- a. Verifying the math on the entire amended return, including any forms, schedules and worksheets that are related to the change.

b. Verifying the taxpayer’s modified entries using the forms attached to the claim, schedules, worksheets, taxpayer remarks, and IDRS research.

c. Verifying the corrected tax computation.

d. Verifying any additional taxes on line 10 as reported by the taxpayer are calculated correctly.

e. Verify all income-based items on claims involving an income change. Recalculate the items when the income changes, even if the taxpayer doesn’t address them.
- (7) If you’re unable to “perfect” the return based on information submitted and through IDRS research, correspond requesting clarification:

If ...	Then ...
there’s an unexplained amount	Accept the amount and adjust using the taxpayer’s Column B figures.
B	
The taxpayer’s Column A figures (original amount) don’t match IDRS	Correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
For any other reason	Correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

#

- (8) When math verifying the return and an error is discovered, re-compute the correct amounts using the information supplied and IDRS research. After perfecting the Total Tax (line 11), if the recomputed lines 12 - 15 amounts are:

#

IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

3.11.6.6.1

(01-02-2024)

Duplicate Returns and
Identical Open CII Cases

- (1) A duplicate condition occurs when:
- Multiple open CII cases are identical

• An amended return matches the most recent adjustment/filing figures
- (2) When other open CII case(s) are present and assigned to the generic queue, determine if the other case(s) are identical to your case. If so, process as follows:
- a. Link the cases using the “Link” function on the “Active Case” page.

b. In the Link Case popup, input the CII Case ID of the case(s) to be linked, one at a time.

- c. Notate “duplicate amended return” in the notes section of the identical case(s).
- d. Reassign the unassigned case to your CII case inventory.
- e. Close each CII case linked to the original case using the “Close as Misc” button.
- f. Continue processing the original CII case per normal procedures.

Reminder: If a case is open to another SP 1040-X tax examiner, refer to IRM 3.11.6.7.18.1, Cases Open to an SP 1040-X Tax Examiner.

- (3) Prior to treating an amended return as a duplicate, review the return and attachments for routing criteria.
 - a. If the return is a duplicate but the taxpayer is requesting an additional action, follow general processing procedures.
 - b. Research IDRS for taxpayer correspondence. Research the type of letter(s) that have been sent. Send the case to the originating area. This includes the Letter 12C requesting a taxpayer signature.
 - c. When it appears that Code and Edit has corresponded for a signature (Form 3531 attached or notated in the working trail) and the return is still unsigned, follow normal procedures and send the case to Entity.
 - d. If the return is a duplicate, don’t correspond for missing forms, schedules, or signature(s).
- (4) When processing a CII case, continue researching to determine the reason the taxpayer filed the form.

If ...	And ...	Then ...
The taxpayer has requested a processable change that doesn’t cause a change to a line-item dollar amount	The change has a specific reason code (RC)	Input a TC 290 .00 with the appropriate RC.
The taxpayer has requested a processable change that doesn’t cause a change to a line-item dollar amount	The change doesn’t have a specific reason code	Use RC 099.
No change or action is required		Input a TC 290 .00 without a reason code.

Note: If there’s a prior pending adjustment, input a post delay code.

- (5) Once a Form 1040/A/EZ/SR is identified as an amended return and that reverts the module back to the original filing, look for any indication as to why. If no indication is found, then treat the return as classified waste. See IRM 3.11.6.16.22, Classified Waste.

Exception: If an active Combat Zone return, per IRM 3.11.6.16.4, Combat Zone, will revert the module to the original filing, input a TC 290 .00 without a reason code.

3.11.6.7
(01-02-2024)

**Sorting, Routing, and
Priority Screening**

- (1) Before inputting an adjustment or corresponding, screen the case to identify all documents and IDRS conditions requiring actions by another area.
- (2) Occasionally, a Form 4442, Inquiry Referral, or E-4442, may be received from another area. Expedite the processing of these requests.

- (3) When screening a case:

- Identify all possible route out criteria, then send to the highest priority as stated in paragraphs 4 and 5 below

Note: Specific routing instructions found within the designated priority order take on that priority.

Example: A case has a -W freeze and a -L Freeze (status code 12) on the account, and it also meets AUR open case criteria. In this instance, the three possible routing destinations for this claim are Exam, AUR, and AM. Since Exam is the highest priority and has specific instructions regarding the -W freeze, the case bypasses the AUR criteria and will be sent to AM.

- Follow specific IRM instructions
- CII cases are reassigned or rerouted through CII whenever possible. See IRM 3.11.6.9, 1040-X Reassignment and Reroute Guide

Caution: When reassigning a case through CII, don't close the case control. Closing the case control causes an "E-1" error.

- If the TC 150 has not posted, see IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150)
- Don't input or update CC REQ54, CC DUPED, CC DDBCK or CC ENREQ unless otherwise instructed by a specific IRM subsection
- Input a case note and see IRM 3.11.6.7.20.1, Working Trail and Action Trail

Note: Keep all related tax years together if possible.

Exception: Don't route non-statute year returns to the Statute unit unless they are attached to a statute year return for informational purposes. Don't route a non-AUR cases to AUR unless they are attached for informational purposes

- (4) If Form 1040-X needs must be converted to a Form 1040 or Form 6114, follow the association process in IRM 3.11.6.4.2, Association, Forms, Schedules, and Other Documents to CII Cases, prior to routing.
- (5) See IRM 3.11.6.7.20.2, Transaction Code (TC) 971 and Action Codes, for TC 971 Action Codes and routing destination for specific items.
- (6) See IRM 3.11.6.4.7, Processing Presidential Election Campaign Fund (PECF) Requests, for "Dummy PECF" editing instructions.

3.11.6.7.1
(01-05-2024)

**SP 1040-X Routing
When a TC 150 Isn't
Present**

- (1) When a TC 150 isn't present, the priority of routing is as follows.

Priority ...	Condition ...	Follow ...
1	Large Business and International case	IRM 3.11.6.7.3, Large Business and International Screening
2	Taxpayer Protection Program (TPP)	IRM 3.11.6.7.5, Taxpayer Protection Program (TPP) Screening.
3	ID Theft (IDT)	IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
4	Disaster Claims	IRM 3.11.6.7.7, Disaster Claim Screening.
5	Statute	IRM 3.11.6.7.10, Statute Review Screening.
6	All other cases	IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150).

3.11.6.7.2 (1) When a TC 150 is present, the priority order for routing is as follows.
 (01-05-2024)
SP 1040-X Routing
When a TC 150 Is
Present

Priority ...	Condition ...	Follow ...
1	Large Business and International case	IRM 3.11.6.7.3, Large Business and International Screening
2	International case	IRM 3.11.6.7.4, International Return Screening.
3	Taxpayer Protection Program (TPP) case	IRM 3.11.6.7.5, Taxpayer Protection Program (TPP) Screening.
4	Identity Theft (IDT) case	IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
5	Office of Fraud Enforcement (OFE) case	IRM 3.11.6.7.6, Office of Fraud Enforcement (OFE) - Suspicious Case Referral Screening.
6	Disaster Claim case	IRM 3.11.6.7.7, Disaster Claim Screening, and IRM 3.11.6.16.2, Processing a Disaster Claim.
7	Carryback (CB) or Carryforward (CF) Claim case	IRM 3.11.6.7.8, Carryback and Carryforward Screening.
8	Statute case	IRM 3.11.6.7.10, Statute Review Screening.
9	Examination case	IRM 3.11.6.7.11, Examination Case Screening.
10	Frivolous (FRIV) case	IRM 3.11.6.7.12, Frivolous Claims Screening.

Priority ...	Condition ...	Follow ...
11	Criminal Investigation (CI) Scheme Development Center (SDC) case	IRM 3.11.6.7.13, Criminal Investigation (CI) Scheme Development Center (SDC) Screening.
12	Return Integrity and Verification Operation (RIVO) case	IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening.
13	Category A (CAT-A) case	IRM 3.11.6.7.15, Category A (CAT-A) criteria Screening
14	Automated Underreporter (AUR) case	IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening.
15	Adjustment Function Criteria (AM) case	IRM 3.11.6.7.17, Accounts Management Case Screening.
16	Open case to an employee in an area not listed above	IRM 3.11.6.7.18, Open Cases and Open Control Base Screening.
17	Collection Function case	IRM 3.11.6.7.19.3, Collection Function Case Screening.
18	All other case types	Various.

3.11.6.7.3
(01-05-2024)

**Large Business and
International Screening**

- (1) Send all returns with an indication of “BBA Partner Modification Amended Return” or similar verbiage, and any amended return with an open control base that has the activity “RTX2OSCBBA” to Large Business and International (LB&I).
- (2) Follow IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate when sending a case to LB&I at the following address:
Ogden BBA Operations
1973 M Rulon White Blvd
Mail Stop 4705
Ogden UT 84404

3.11.6.7.4
(01-02-2025)

**International Return
Screening**

- (1) Send all International returns to AM. This includes duplicate returns.
- (2) Don't process an amended return if all the Forms W-2 and Forms 1099 attached are from the Virgin Islands (regardless of the address). Send these returns to the following address:
Virgin Islands Bureau of Internal Revenue
6115 Estate Smith Bay, Ste. 225
St. Thomas, U.S. Virgin Islands 00802
- (3) If any of the following are attached or mentioned, send the amended return to AM..
 - Claims with foreign addresses on either the original or amended return (other than APO, DPO, and FPO addresses)
 - Form 1040 GUAM, Guam Individual Income Tax Return
 - Form 1040C, U.S. Departing Alien Income Tax Return

- Form 1040-NR, U.S. Non-resident Alien Income Tax Return
- Form 1040NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents
- Form 1040PR, U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
- Form 1040SS, U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
- Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding
- Form SSA-1042S, Social Security Benefit Statement
- Form RRB-1042S, Railroad Retirement Benefits
- Form 2555, Foreign Earned Income
- Form 2555EZ, Foreign Earned Income Exclusion (attached or noted on the return)
- Form 3520, Annual Return to Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts
- Form 3520-A, Annual Return of Foreign Trust With a U.S. Owner
- Form 4563, Exclusion of Income for Bona Fide Residents of American Samoa
- Form 5074, Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)
- Form 8288A, Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests (IRC 1445)
- Form 8288B, Application for Withholding Certificate for Dispositions by Foreign Persons of U.S. Real Property Interests
- Form 8689, Allocation of Individual Income Tax to the Virgin Islands
- Form 8804, Annual Return for Partnership Withholding Tax (Section 1446)
- Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax
- Form 8813, Partnership Withholding Tax Payment Voucher (Section 1446)
- Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)
- Form 8854, Initial and Annual Expatriation Information Statement
- Form 8858, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs)
- Form W-2AS, American Samoa Wage and Tax Statement
- Form W-2GU, Guam Wage and Tax Statement
- Form W-2VI, U.S. Virgin Islands Wage and Tax Statement
- Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)
- Claims involving IRC 911, IRC 931, or IRC 933
- "Dual Status" is indicated.
- Claims for an exemption or exclusion of the tax or income due to an international treaty or United States Tax Treaty
- Claims involving Treaty Trader or Fulbright Grantee
- Claims citing income from Johnston Island (26 CFR 1.931-.1)
- Income paid in foreign currency, whether or not it was converted to U.S. currency
- Primary, secondary, or both taxpayers are Non-Resident Aliens (NRA)
- Any indication on the Form 1040-X the taxpayer originally filed an International return and is requesting a conversion to a Domestic return (i.e., originally filed Form 1040-NR and request conversion to Form 1040)

3.11.6.7.5
(01-02-2025)
Taxpayer Protection
Program (TPP)
Screening

- (1) The Taxpayer Protection Program (TPP) is for cases where potential IDT has been identified. The taxpayer is sent one of the following letters requiring the taxpayer to authenticate through the TPP.
- Letter 4883C

Letter 5071C

Letter 5447C

Letter 5747C

Letter 6330C

Letter 6331C

Letter 6167C
- (2) Send all cases selected for the TPP to AM. TPP cases can be identified by the following:
- Unpostable TC 150 with unpostable code (UC) 1260

TC 971 AC 124

TC 971 AC 124 with either an unpostable TC 150 UC 1260 or CC TRDBV shows the return is unpostable

TC 971 AC 129 with Misc>“NNNNNNNNNNNNNNNN 1040X” on CC IMFOL and CC TXMOD

Note: NNNNNNNNNNNNNN = DLN of MeF Return

- (3) If Form 14039 , Identity Theft Affidavit, or taxpayer statement notating identity theft is attached to the case and there’s no open control to IDTVA (i.e., IDT1, IDT3, IDT8 etc.), then send the case to RIVO. When sending the case to RIVO, use Stop # 6579 AUSC.

Note: If there is an open control with IDTVA refer to IRM 3.11.6.7.9, Identity Theft (IDT) Screening.

- (4) If a case is received and no original return (Transaction Code (TC) 150) has posted to MFT 30, research Command Code (CC) TXMOD for an unreversed Taxpayer Protection Program (TPP) indicator (i.e., TC 971 with Action Code (AC) 121, 124, 125, or 129). If present, send the case to AM.

Caution: Do not route to IDTVA based solely on TPP indicators. Refer to IRM 3.11.6.7.9, Identity Theft (IDT) Screening, for additional information.

3.11.6.7.6
(01-02-2025)
Office of Fraud
Enforcement (OFE),
Suspicious Case
Referral Screening

- (2) If the case meets Exam or CAT-A routing criteria, don’t send to OFE. Send the case to Exam or CAT-A as appropriate.

Note: Form 13549, Campus Fraud Lead Sheet, must be completed electronically.

#

If processing a ...	Then ...
MEFP case	<ol style="list-style-type: none"> 1. The tax examiner must: <ol style="list-style-type: none"> a. Complete Form 13549, Sections I, II, Section III item 1, and Section IV. In Section IV, make the following notations: <ul style="list-style-type: none"> • The case is on Modernized e-File Return Request Display • CII case ID • Describe the suspicious elements on the case. Refer to page 4 of Form 13549 b. Leave a Case Message stating, "Form 13549 approval request." c. Suspend the case to your lead and send a secure e-mail with Form 13549 attached. Remember to indicate the CII Case Id in the e-mail. 2. The lead must: <ol style="list-style-type: none"> a. Verify Form 13549, Sections I, II, Section III item 1, and Section IV have been completed correctly. If incomplete, return to the TE for corrections. If complete, review the case b. If you approve, reassign the case back to the TE with a case message stating, "Form 13549 referral approved, close the CII case." c. Complete Form 13549 Section III item 2 c and send the case to the appropriate fraud advisor based on your site. Your site's advisor can be found using this link <i>Campus Fraud Examination and Fraud Enforcement Advisor Contacts</i> d. If you don't approve, complete Form 13549 Section III Item 2 a, and Section V and e-mail the form back to the TE. Reassign the case back to the TE with a case message stating, "Form 13549 referral denied, continue processing." 3. When the lead returns the case, take the following action: <ol style="list-style-type: none"> a. If the referral is approved, leave a case note stating, "Form 13549 referral" and close the case. b. If the referral is denied, continue process per normal procedures.

If processing a ...	Then ...
MEFS case	<ol style="list-style-type: none"> 1. The tax examiner must: <ol style="list-style-type: none"> a. Complete Form 13549, Sections I, II, Section III item 1, and Section IV. In Section IV, make the following notations: <ul style="list-style-type: none"> • The case is on CII. • CII case ID. • Describe the suspicious elements on the case. Refer to page 4 of Form 13549. b. Leave a Case Message stating, "Form 13549 approval request." c. Suspend the case to your lead and send a secure e-mail with Form 13549 attached. Remember to indicate the CII Case Id in the e-mail 2. The lead must: <ol style="list-style-type: none"> a. Verify Form 13549, Sections I, II, Section III item 1, and Section IV have been completed correctly. If incomplete, return to the TE for corrections. If complete, review the case b. If you approve, take the following actions: <ul style="list-style-type: none"> • Reassign the case back to the TE with a case message stating, "Form 13549 referral approved, close the CII case." c. Complete Form 13549 Section III item 2 c and send the case to the appropriate fraud advisor based on your site. Your site's advisor can be found using this link <i>Campus Fraud Examination and Fraud Enforcement Advisor Contacts</i> d. If you don't approve, take the following actions: <ul style="list-style-type: none"> • Complete Form 13549 Section III Item 2 a, and Section V. Then e-mail the form back to the TE • Reassign the case back to the TE with a case message stating, "Form 13549 referral denied, continue processing." 3. When the lead returns the case, take the following action: <ol style="list-style-type: none"> a. If the referral is approved, leave a case note stating, "Form 13549 referral" and close the case b. If the referral is denied, continue process per normal procedures

3.11.6.7.7
(01-02-2025)
**Disaster Claim
Screening**

- (1) Taxpayers who are affected by a federally declared disaster will have a -O freeze (TC 971 action code 087) or -S freeze (TC 971 AC 688) on the module.
- (2) Taxpayers no longer self-identify for disaster relief by writing a disaster designation in red at the top of their tax return. When the IRS decides to extend tax relief to taxpayers affected by a disaster, a news release is issued to the public outlining the relief that is being granted. The news release advises those taxpayers who are located outside the declared area but whose necessary tax records were inside the declared area to call the Disaster Hotline to self-identify. See IRM 21.5.6.4.30, -O Freeze, and IRM 21.5.6.4.37, -S Freeze, for additional information.

- (3) The *Disaster Tax Relief Airport and Airway Extension Act of 2017*, the Tax Cuts and Jobs Act (TCJA), the *Bipartisan Budget Act of 2018*, and the Further Consolidated Appropriations Act, 2020 provide special rules for some qualified disaster losses.
- The \$100 limitation per casualty increased to \$500
 - The 10 percent of AGI limit doesn't apply
 - The standard deduction is increased by the net qualified disaster loss
- (4) Apply the special rules for qualified disaster losses to:
- A major disaster declared by the President under section 401 of the Stafford Act in 2016
 - Hurricane Harvey or Tropical Storm Harvey after August 22, 2017
 - Hurricane Irma after September 3, 2017
 - Hurricane Maria after September 15, 2017
 - The California wildfires after October 7, 2017, and before February 1, 2018
 - A major disaster that was declared by the President under section 401 of the Stafford Act and that occurred in 2018 and before December 21, 2019, and continued no later than January 19, 2020 (except those attributable to the California wildfires in January 2018 that received prior relief).
 - A qualified disaster loss also includes an individual's casualty or theft of personal-use property that is attributable to a major disaster that was declared by the President during the period between January 1, 2020, and February 25, 2021. Also, this disaster must have an incident period that began on or after December 28, 2019, and on or before December 27, 2020. However, this change does not include those losses attributable to a major disaster that has been declared only by reason of COVID-19 and must have ended no later than January 26, 2021. The definition of a qualified disaster loss does not extend to any major disaster that has been declared only by reason of COVID-19 (because the incident period for COVID-19 extended beyond January 26, 2021). Thus, given that the incident period for COVID-19 generally ran from January 20, 2020 to May 11, 2023, a loss due to COVID-19 is not a qualified disaster loss.
 - Hurricane Ida disaster after August 28, 2021
- (5) For tax years 2018 through 2025, an individual's loss of personal-use property is deductible only if the loss is attributable to a federally declared disaster.
- Exception:** Personal casualty or theft loss can only be deducted to the extent of casualty gains.
- (6) When instructed to send a disaster claim to AM, use category code "KATX" if the disaster claim meets the criteria listed in paragraph 3 above, and use category code "DSTR" for all other cases.
- (7) If a TC 150 hasn't posted on a disaster claim, send the case to AM.
- (8) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.

- (9) Taxpayers claiming a disaster loss must file Form 4684, Casualties and Thefts. The taxpayer may file a claim for the year of the disaster or may elect to claim the loss in the tax year preceding the disaster year. Correspond using Letter 324C if:
- The Form 4684 is missing
 - The disaster claim is missing a signature. Suspend the return until you secure a signature only on refund returns
 - If a reply is received within 45 days, continue processing the return and input under Blocking Series 05
 - If no reply is received after 45 days, send a Letter 916C, per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP). Input a TC 290 .00 to file the return
 - The federally declared disaster designation isn't listed in Section A(1) of Form 4684 (for 2018 through 2025)
- (10) Verify the taxpayer had a loss in a qualified disaster area via the *IRS Disaster Assistance Program*

If ...	Then ...
The loss is claimed for the tax year in which the disaster occurred	The return must be filed within three years of the due date of the return for the tax year in which the disaster occurred, without extensions.
The loss is claimed for the tax year preceding the tax year in which the disaster occurred	The election must be made on or before 6 months after the due date for filing your original return (without extensions) for the tax year in which the disaster occurred.
A disaster claim isn't filed within the time-frames above	Send the case to AM.
The disaster claim is timely filed	Process the claim following IRM 3.11.6.16.2, Processing a Disaster Claim.

Example: A disaster occurs in August 2024, and the loss is sustained in 2024. The taxpayer can elect to timely file the disaster loss for 2023 until October 15, 2025. Alternatively, the taxpayer could choose to file the loss for the 2024 tax year and has until April 15, 2028, to claim the loss via an amended return.

- (11) Follow normal processing procedures if the return isn't a disaster claim.

3.11.6.7.8
(07-30-2024)

**Carryback and
Carryforward Screening**

- (1) To screen a case for carryback issues, refer to IRM 3.11.6.7.8.1, Carryback Claim Screening.
- (2) To screen a case for carryforward issues, refer to IRM 3.11.6.7.8.2, Carryforward Claim Screening.
- (3) Then reassign the case to the appropriate queue per IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate.

- (4) If the case is 60 days or less before the ASED expires, or if the ASED has expired, leave a case note stating, "CB/CF/Statute Imminent". Leave a CC ACTON history item "STAT IMNT".

3.11.6.7.8.1
(07-30-2024)
**Carryback Claim
Screening**

- (1) When screening a case for carryback claim issues, refer to IRM 21.5.9.2.1, Identifying Carryback Applications and Claims.
- (2) When screening a case for carryback credit claim issues, refer to IRM 21.5.9-1, General Business Credits, Foreign Tax Credit, and Other Non-Refundable Credits - Availability for Carryback/Carryforward, and IRM 21.5.9.5.3, Special Carryback/Carryforward Periods.

3.11.6.7.8.2
(07-30-2024)
**Carryforward Claim
Screening**

- (1) When screening a case for carryforward claim issues, refer to IRM 21.5.9.2.2, Identifying Carryforward Claims.
- (2) When screening a case for carryforward credit claim issues, refer to IRM 21.5.9-1, General Business Credits, Foreign Tax Credit, and Other Non-Refundable Credits - Availability for Carryback/Carryforward, and IRM 21.5.9.5.3, Special Carryback/Carryforward Periods.
- (3) When the taxpayer has is requesting an election to forgo the carryback period, check CC TRDBV for the literal "ELECTION". If present, the election has already been made and the case doesn't need to be sent as a carryforward claim.

3.11.6.7.9
(01-02-2025)
**Identity Theft (IDT)
Screening**

- (1) Identity Theft (IDT) can be indicated by the taxpayer's explanation, by markers on the account, or by suspicious changes identified by tax examiners.
- (2) Accounts the IRS has identified as potential IDT contain one of the following indicators. If one of the following indicators is found, see paragraphs 3 and 7 below.

- CC ENMOD, IMFOL, or TXMOD: TC 971 with AC 506, 522 (with the literals UNWORK or IRSID) for the year of the amended return, or 524 (if the 1040X is for a tax year after the date of death). See paragraph 3 below for additional information

Note: The Secondary Date (SECONDARY-DT>) field of one of the above indicators reflects the tax year affected by identity theft. If the tax period in question matches the year of the Secondary Date, see paragraphs 3 and 7 below.

Exception: AC 524 may or may not have a SECONDARY-DT field entry. AC 524 is an identity theft indicator used to lock the account of deceased taxpayers. It prevents a deceased taxpayer's TIN (SSN or ITIN) from being used as the primary, secondary, or dependent TIN on a current or subsequent year federal income tax return. The TC 971 AC 524 indicator is applied systemically to the account and is effective the following year after the date of death.

Example: Taxpayer's date of death is 6/03/2023. A return for TY 2023 can post but a return for TY 2024 won't.

- CC TXMOD or IMFOLT: TC 971 AC 111

- CC IMFOLI: MFT 32 is indicated for the Tax Year and No TC 150 is present on MFT 30. See paragraph 7 below

Note: The IDT literal on CC ENMOD, CC IMFOLE, or other TC 971 Action Codes mustn't be used as an IDT indicator.

- (3) Verify IDT indicators have not been reversed prior to routing. If a TC 972 is present reversing the IDT indicator, don't route the return unless there are additional indicators present.
- (4) A taxpayer can self-identify as a victim of IDT by:
 - Stating in the Explanation of Changes on Form 1040-X or a separate statement
 - Completing Form 14039, Identity Theft Affidavit
 - Responding to IRS correspondence related to IDT
- (5) If the taxpayer indicates their dependent is a victim of IDT, send the case to AM. The taxpayer can indicate their dependent is a victim of IDT by:
 - Stating in the Explanation of Changes on Form 1040-X or a separate statement
 - Completing Form 14039, Identity Theft Affidavit
 - Responding to IRS correspondence related to IDT
- (6) Tax Examiners may identify suspected IDT when the return doesn't master file verify and when certain account changes seem suspicious such as large, unusual or questionable line-item changes. When this occurs use the following research steps to aid in determining if the return must be routed as IDT:
 - a. Use CC RTVUE to verify:
 - Address for the first return(s) filed
 - Dependents
 - Type of Income
 - Filing Status
 - Schedules and Forms filed
 - b. Use CC TRDBV to verify:
 - Significant changes in the filing history
 - Occupation
 - Requested method of refund payment
 - Tax Preparer
 - Multiple attempts to file a rejected return
 - c. Use CC DDBCK to verify:
 - Dependents and/or credits claimed on the original return
 - d. Use CC IMFOLI to verify:
 - Number of years the TIN has been used
 - Filing status changes
 - Method of filing: paper or e-file
 - e. Use CC IRPTR to verify:
 - Comparative review of reported income and payor information
 - Previous and current employer
 - Previous address

Reminder: Before routing as IDT, you must have multiple suspicious changes between the original filing and the amended filing.

(7) Once a return is identified as being an IDT return or has IDT involvement:

If ...	Then ...
Form 1040-X	<ol style="list-style-type: none"> 1. Input "IDT" in the case notes and a brief description of the IDT issue that has been identified. 2. Send the case to AM.
Form 1040 series	<ol style="list-style-type: none"> 1. In the upper left-hand corner of the return notate PAO (Process as Original). 2. Circle out any notation that suggests the return was previously filed. 3. Send the case to Batchring.
Form 1040-X with Form 1040	<p>If a TC 150 is posted (or pending):</p> <ol style="list-style-type: none"> 1. Input "IDT" in the case notes and a brief description of the IDT issue that has been identified. 2. Send the case to AM.
Form 1040-X with Form 1040	<p>If no TC 150 is posted or pending:</p> <ol style="list-style-type: none"> 1. "X" Form 1040-X. 2. Edit PAO in the upper left-hand corner of the Form 1040. 3. Circle out any notation that suggests the return was previously filed. 4. Send the case to Batchring.
Undeliverable	Send the case to Entity.
Statute returns	<p>Send the case to IDTVA Statute:</p> <ul style="list-style-type: none"> • Austin - 6539 AUSC • Kansas City - 6507 C2 KCSC • Ogden - 6507 C2 KCSC • Memphis - 6539 AUSC

3.11.6.7.10
(01-02-2025)
**Statute Review
Screening**

- (1) Beginning January 1, 2025, all returns for tax year 2021 and prior are considered statute year returns.
- (2) Send any statute year case involving any of the following to AM:
 - A signed consent or request to extend the statute of limitations
 - Filing status changes to MFJ
 - Cases requiring a manual refund
 - A statement of Financial disability
- (3) If the case is a Substitute for Return (SFR), see IRM 3.11.6.7.19.3.5, Automated Substitute For Return (ASFR) and Non-Filer Return (NFR) Screening.
- (4) Per IRM 25.6.1.9.9, Procedures for Processing Amended Returns - in General, if a tax increase or credit decrease is required and the ASER is within 90 days of expiration, the case must be sent to the Statute function. Cases where the ASER is within 90 days of expiration or expired are considered statute imminent (SI) cases. Amended returns that are SI must be hand carried by a manager to Statute, per IRM 25.6.1.9.9.2, After Hours and Imminent Assessments.

Exception: The hand carry requirement doesn't apply to cases on the CII system.

- (5) IDRS research is required to determine if the amended return is a tax increase or credit decrease and to verify the ASED. When verifying the ASED, use today's date.

Exception: A claim to decrease withholding isn't considered a credit decrease and is processable without statute involvement.

If IDRS shows Form 1040-X ...	And the ASED ...	Then ...
Line 11 is a total tax increase	Expired	Take the following action: a. Input a TC 971 AC 014 b. Suspend the case to Statute.
Line 14 or line 15 is a refundable credit decrease Note: Be sure to consider hidden changes to refundable credits.	Expired	Take the following action: a. Input a TC 971 AC 014. b. Suspend the case to Statute.
Line 11 is a total tax increase and line 14 or line 15 is a refundable credit decrease Reminder: Be sure to consider hidden changes to refundable credits.	Expired	Take the following action: a. Input a TC 971 AC 014. b. Suspend the case to Statute.
Line 11 is a total tax increase	Expires in 90 days or less	Take the following action: a. Input a TC 971 AC 014. b. Suspend the case to Statute.
Line 14 or line 15 is a refundable credit decrease Reminder: Be sure to consider hidden changes to refundable credits.	Expires in 90 days or less	Take the following action: a. Input a TC 971 AC 014. b. Suspend the case to Statute.
Line 11 is a total tax increase and line 14 or line 15 is a refundable credit decrease Reminder: Be sure to consider hidden changes to refundable credits.	Expires in 90 days or less	Take the following action: a. Input a TC 971 AC 014. b. Suspend the case to Statute.
Line 11 is a total tax increase	Expires in 91 days or more	Process per IRM 3.11.6.16.1, Processing Statute Cases.
Line 14 or line 15 is a refundable credit decrease	Expires in 91 days or more	Process per IRM 3.11.6.16.1, Processing Statute Cases.
Line 11 is a total tax increase and line 14 or line 15 is a refundable credit decrease	Expires in 91 days or more	Process per IRM 3.11.6.16.1, Processing Statute Cases.

- (6) Follow the procedures in the table below in cases when a TC 150 isn't present:

Exception: Due to the continued impact of COVID-19 and processing delays, SP and AM have developed procedures for IMF tax year 2020 and prior year original delinquent returns (No TC 150) to bypass AM Statute clearance and be processed as original returns following IRM 3.11.6.5.1 (8) ,Transaction Code (TC) 150 Research (No TC 150). In addition, any 2020 and prior year returns previously cleared by AM Statute won't be returned by SP to AM for clearance again if the 90-day statute stamp has expired. If a tax return is later considered a barred assessment due to this process change, the barred case won't be charged to SP or AM. The barred case is considered systemic and reported on the quarterly barred statute report under the responsible area "N/A".

If ...	And ...	Then ...
Statute year Form 1040	There's no Form 1040-X attached.	<ol style="list-style-type: none"> 1. Input a TC 971/014. 2. Suspend the case to Statute per IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate. <p>Exception: If the return is stamped "Statute Cleared" or "No Statute Issue(s)" send to Batching.</p>

If ...	And ...	Then ...
Statute year Form 1040-X	There's an original Form 1040 or an "As Amended" Form 1040 is attached	<ol style="list-style-type: none"> 1. Follow the procedures in IRM 3.11.6.5.2, Form 1040 Attached to Form 1040-X, paragraph (5) except suspend the case to Statute Unit for clearance. 2. Input a TC 971 AC 014. 3. Suspend the case to Statute per IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate. <p>Exception: If the return is stamped "Statute Cleared" or "No Statute Issue(s)", then send to Batchring. When routing a no TC 150 case to Batchring and there's an E- freeze on the account, input a TC 971 AC 002 to indicate the amended return is being reprocessed as the original (to post as TC 150). The TC 971 AC 002 releases the E- freeze. When inputting the TC 971 AC 002 take the following action:</p> <ul style="list-style-type: none"> • In the "TRANS-DT" field, input the TC 976/977 date associated with the case you're processing as the transaction date. • In the "XREF-TIN" field, input the TIN of the primary taxpayer. <p>Note: If the cross-reference TIN is the same as the account TIN, enter "R" to automatically populate the field.</p> <ul style="list-style-type: none"> • In the "XREF-TX-PRD" field, input the correct tax period. <p>Note: If the cross-reference tax period is the same as account tax period, enter "R" to automatically populate the field.</p>

If ...	And ...	Then ...
Statute year Form 1040-X	There's no Form 1040 attached	<ol style="list-style-type: none"> 1. Convert Form 1040-X to a Form 1040 or Form 6114. Exception: When using Form 6114, don't X the Entity section. Reminder: If working a MEFS case, follow the association process in IRM 3.11.6.4.2, Association, Forms, Schedules, and Other Documents to CII Cases, prior to sending to Statute. 2. Input a TC 971 AC 014 3. Input a CC ACTON history of "X21502STAT." 4. Suspend the case to Statute per IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate. Exception: If the return is stamped "Statute Cleared" or "No Statute Issue(s)", input a TC 971 AC 002 and use the posted TC 976/977 date as the transaction date. This is done to indicate the amended return is being reprocessed as the original (to post as TC 150) which releases the E- freeze. Then send to Batching.

- (7) If an amended Form 1040 is received in the 1040-X unit and the amended Form 1040 is stamped **Statute Cleared**, return the document to the Statute Unit.

3.11.6.7.11
(09-04-2024)
**Examination Case
Screening**

- (1) Review all claims and amended returns for examination involvement.
 - An open TC 420 on the account
 - An open TC 424 on the account
 - A -L freeze on the account
- (2) If a case meets examination criteria and it's incomplete, correspond following IRM 3.11.6.10, Correspondence Procedures.

Caution: If the response to the correspondence is incomplete, send the claim to Exam.
- (3) Use CC AMDISA to determine the AIMS status when a -L freeze is present on the account.

If ...	Then ...
There's a CI SDC open control	Follow IRM 3.11.6.7.13 (3), Criminal Investigation (CI) Scheme Development Center (SDC) Screening.
There's not a TC 420 or TC 424 on the account	Suspend the case the CAT-A.
There's a -W freeze present	Send the case to AM as Out of Scope.
There's an open control base or CC AMDISA, shows an appeals case (IDRS number 66XXX)	Send the case to AM as Out of Scope.
The AIMS status is 90	Send the case to AM as Out of Scope.
there's a TC 300 - 361 on the account	Send the case to AM as Out of Scope.
The AIMS status is 08 or less and CAT-A criteria is present.	Follow IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
The AIMS status is 08 or less and CAT-A criteria isn't present.	Process as normal. If inputting an adjustment, use priority code 1.
The AIMS status is 09 or more, but less than 90	Take the following action: <ol style="list-style-type: none"> 1. Input a TC 971 AC 013 and use the received date of the amended return for the transaction date. 2. Send the case to Exam based on the current Employee Group Code (EGC) in AIMS. Use the following link to the EGC list found on the SERP Who/Where tab to see where to send the case. <i>Exam Employee Group Code</i>.

3.11.6.7.12
(01-02-2025)
**Frivolous Claims
Screening**

- (1) A frivolous argument is used for the purpose of expressing dissatisfaction with the substance, form, or administration of the tax laws by attempting to illegally avoid or reduce tax liabilities. See paragraph 7 below for a list of frivolous arguments.
- (2) A -E freeze is set by a posted TC 810 with a Responsibility Code (Res C). A TC 810 with Res C indicates a frivolous return, and the entire account is frozen. Send all cases with a TC 810 with a Res C to AM.
- (3) F- freezes are set by a posted TC 971 AC 089 and indicates that a frivolous return has been received and the entire account is frozen. Adjustments aren't made to accounts showing an F- freeze.
- (4) Send any "suspicious" return or case with an F- freeze to the local Frivolous Return Program (FRP) Coordinator to review as follows:
 - a. Input a case message stating the "case meets requirements to send to the FRP coordinator" and suspend the case to your lead or manager.
 - b. The lead or manager must input a TC 971 with AC 013 with "SENT TO FRP" in the remarks area and forward the case to the local FRP coordinator.
- (5) The FRP Coordinator reviews any case sent in which the taxpayer:

- a. Argues for any reason against filing a tax return or the paying of taxes.
 - b. Uses one of the frivolous arguments or statements listed in paragraph 7 below.
 - c. Marks out or alters in any manner, the penalty or perjury statement (i.e., the jurat) in the signature area.
- (6) If a non-frivolous claim is received with an open control base to an employee in the FRP Unit (IDRS Numbers begin with 14867, 14868, or 14869) send the case to FRP at the following address:

IRS Frivolous Return Program
 1973 N Rulon White Blvd
 Mail Stop 4450
 Ogden, UT 84404

Input a TC 971 with AC 013 and enter "Sent to FRP" in the remarks area.

- (7) The following list includes Recognized known frivolous arguments made by both individuals and businesses are included and is not inclusive of all frivolous arguments. Notice 2010-33 also is a non-exclusive source for identifying frivolous arguments..
- **Alleged Churches/First Amendment** - Taxpayer receives income from non-religious sources, may claim a vow of poverty, and may submit a tax return with all or substantially all of the gross income claimed as a contribution on Schedule A.
 - **Altered Form** - Taxpayer submits a tax return altering any or all line-items with the intent of showing non-compliance with the tax laws.
 - **Altered Jurat/Uniform Commercial Code (UCC) 1-207** - Taxpayer submits a tax return that contains income and deductions and alters or lines through all or part of the jurat. The return may include a reference to UCC 1-207 or a statement that the return wasn't signed under penalties of perjury. The alteration may be located elsewhere on the return and an arrow to the jurat.
 - **Amended Returns/Form 843 Claim** - Taxpayer files an amended return or Form 843 to obtain a refund of all taxes paid in prior years based on a tax avoidance argument.
 - **American Indian Employment Credit** - Taxpayers submit returns and claims reducing taxable income by substantial amounts and citing an American Indian Employment Credit. Although there's an Indian Employment Credit available for business that employ American Indians or their spouses, there's no provision for its use by the actual employee.
 - **Argument against Government Action/Inaction** - Taxpayer claims a deduction or credit on the tax return based on dissatisfaction with government actions or spending.
 - **Bosnian Refugees** - Taxpayer filing claim eliminating tax based on their status as a Bosnian refugee.
 - Certain instances of misuse or excessive use of the **section 6421** fuels credit.

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- **Challenges to Authority/Title 26 or “Law” in Other Documents** - Taxpayer may argue that Title 26 of the United States Code (USC) isn't law because it was never enacted as named. They may also argue that other laws or documents prevent the IRS from assessing and collecting tax, such as the Bible, Bill of Rights, Declaration of Independence, etc.
- **Disclaimer** - Taxpayer submits a disclaimer. The disclaimer states they “disclaim the liability of the tax due”, making the liability on the tax return zero.
- **Employment Tax/CFR 1.861** - No employer is legally obligated to withhold income or employment taxes on employees' wages.
- Erroneous claims that taxes are only owed by persons with a fiduciary relationship to the United States or the IRS.
- **Federal Reserve Notes Are Not Legal Tender** - Taxpayer argues that Federal Reserve notes are not money, so they are not income when received.
- **Fifth Amendment** - Taxpayer makes an improper blanket assertion of the Fifth Amendment right against self-incrimination as a basis for not providing financial information.
- **Form 1099 MISC** -Form 1099 MISC -The Frivolous Form 1099 is used to claim large refunds based on false income amounts and withholding. The false income typically is reported as Other Income. Typically, the Form 1099 MISC payer (issuer) is a large bank, loan, and/or mortgage company and the income and withholding may be substantiated on IRPTR. The fraudulent withholding is generally 33 percent of the reported income but may be up to 100 percent. The taxpayer may include other issues on these fraudulent claims.
- **Form 2555 Deduction** - Taxpayer submits a return showing income and deducts the same amount (or a large portion of the amount) by adding “Form 2555” to Schedule 1. Form 2555, Foreign Earned Income, is usually attached showing the taxpayer's “foreign address” is in the United States. The taxpayer also shows income on Form 2555 as “foreign earned income” even though the employer's address is also in the United States.
- **Fuel Tax Credit Returns** - Taxpayers submit returns that reflect fuel tax claimed for occupations that would not justify the use of fuel used for non-taxable purposes, such as hairdressers, housekeepers, nurse, etc. Realistically, the taxpayers would not have money sufficient to live on, if indeed they had purchased the amount of fuel on which they claimed the credits. Therefore, the claims remain so far beyond a reasonable range as to doubt good faith on the return in general.
- **In Lieu of** - Taxpayer submits a document containing personal identifying information and a summary of income received “in lieu of” an official income tax form.
- **IRC 1001** -Taxpayer claims on Schedule A under “Other Miscellaneous Deductions” no gain realized for even exchange of property-Labor (property)-Employer's (property) with NO GAIN REALIZED Butcher's Union Co. v. Crescent City Co., 111 US 746 S.Ct.Rptr., pp.660-661.
- **IRC 83** - Claims, generally in the form of Form 843, Claim for Refund and Request For Abatement, request abatements of previously assessed taxes and/or penalties using IRC 83 as justification. The claims further describe that the abatement is based on an allegation that the taxpayer previously failed to compute, under IRC 83, the amount of property transferred in connection with the performance of services.

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- **Outlandish and/or Unsubstantiated Credits** - Taxpayers submit returns and claims that generally reflect income, but also claim the exact amount of income entered as withholding. Oftentimes the filing contains Forms **1099-OID** (Original Issue Discount). In some instances, the 1099-OID is shown generated to a payee unrelated to the taxpayer (such as the Department of the Treasury or various judges or attorneys), yet the withholding is claimed on the taxpayer's return. The refunds claimed, resulting from these filings, are large.
- **Prisoners and substitute W-2--** Prisoners supplying a substitute W-2 (Form **4852**) with the explanation portion of the Form **4852** stating the income is based on computation of minimum wage for hours worked within the prison. the Form 4852 lists a withholding amount that allegedly represents the amount an employer would withhold from an employee's wages if working for minimum wage. The inmate then claims a refund based on the data for income and withholding they say that the prison should have reported. Prisons never withhold tax from pay and don't issue Form **W-2**.

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- **Services Not Taxable/Thirteenth Amendment/Form of Servitude** - Taxpayer argues that income results from the sale of goods; therefore, the value of services isn't taxable. This includes indentured servitude arguments and barter offsets. The taxpayer may also argue that the Thirteenth Amendment outlawed slavery. They may claim to be a "natural enfranchised individual and freeman" who is a resident of a state and therefore a nonresident alien for the purpose of the IRC.
- **Sixteenth Amendment** - Taxpayer argues the Sixteenth Amendment wasn't properly ratified; therefore, the federal government doesn't have the legal authority to collect an income tax without apportionment.
- **Taxes are Voluntary/Law doesn't Require** - Taxpayer submits a tax return, amended tax return, or correspondence that argues income taxes are voluntary.
- **Thumbprint in lieu of a signature** - Thumbprint is present in the signature area on a return.
- **Trusts** - Taxpayer attempts to flow income through the trust to avoid personal tax liability. Promoters use "business trusts" as a means of evading income tax.
- **U.S. vs. Long** - Taxpayer submits a tax return with zero money amounts and refers to U.S. vs. Long.
- **Unsigned Tax Returns** - Taxpayer submits a completed unsigned tax return. A statement why the return isn't signed is attached or added to the return indicating disagreement with the tax system.
- **Unsupportable non-taxable compensation** - Taxpayer reports wages but deducts all or a portion of the income as non-taxable compensation.

- **Untaxed** - Taxpayer argues that they should be “untaxed” and attempts to drop out of the Social Security system. They withdraw or rescind their Social Security Number (SSN), claiming they are a sovereign citizen.
- **Valuation** - Taxpayer argues that income isn’t taxable because of the declining fair market value of the dollar. They state the dollar isn’t backed by gold/silver, or the value of services is offset by the value of the labor (barter income).
- **Wages Deducted in Cost of Goods Sold** - Taxpayer submits a return with a Schedule C claiming a deduction equal, or nearly equal, to the amount reported as wage income. The deduction is usually included in the cost of goods sold but could appear under a different deduction category.
- **Wages/Receipts Not Income** - Taxpayer argues that salaries and wages are not “income” within the meaning of the Sixteenth Amendment. Taxpayer may also argue that labor worth a certain amount is exchanged for money worth the same amount, so there’s no income to be taxed.
- **Wages, tips, and other compensation received for the performance of personal services** - Taxpayer argues that the wages, tips or other compensation received are not taxable income or are offset by an equivalent deduction for the personal services rendered, including an argument that a taxpayer has a “claim of right” to exclude the cost or value of the taxpayer’s labor from income or that taxpayers have a basis in their labor equal to the fair market value of the wages they receive, or similar arguments described as frivolous in Rev. Rul. 2004–29, 2004–1 C.B. 627, or Rev. Rul. 2007–19, 2007–1 C.B. 843.
- **Zero Returns** - Taxpayer submits a tax return with zero money amounts and attaches a statement claiming there’s no section of the IRC that establishes an income tax liability. The statement may also contain arguments regarding the definition of income. Taxpayer may cite the Latin phrase “Nunc Pro Tunc” (“Then and Now”) on the return, Form **1096** and/or 1099. Taxpayer may list all zeros and claim a refund of all Federal Withholding, or claim an amount for wages, AGI and Standard Deduction, enter no tax and claim a refund of all Federal Withholding, or taxpayer claims wages and AGI, but carries AGI to refund line.
- **Zero Wages on a Substitute W-2** - Filer generally attaches either a substitute Form **W-2**, Form 1099, or Form **4852** that shows “\$0” wages or no wage information. Entries are usually for Federal income tax withheld but can be Social Security tax withheld or Medicare tax withheld. An explanation on the Form 1040-X or Form **4852** may cite “statutory language behind IRC 3401 and IRC 3121” or include some reference to the company refusing to issue a corrected Form **W-2** for fear of IRS retaliation.

3.11.6.7.13
(01-02-2024)
**Criminal Investigation
(CI) Scheme
Development Center
(SDC) Screening**

- (1) The Criminal Investigation (CI) Scheme Development Center (SDC) identifies and assembles information on individuals and entities involved in civil and criminal noncompliance with the Internal Revenue Code (IRC) and other related statutes.
- (2) Send claims meeting SDC criteria to your local SDC:
 - Austin: Follow instructions for Kansas City.

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- Memphis: Follow instructions for Kansas City

(3) Use the following table to determine if the case must be sent to CI SDC:

If ...	Then ...
IDRS shows a “-Z or Z-” freeze	Send to the SDC. Input a CC ACTON history item To CISDC . Exception: If the tax module shows Project Code 0173, 0263, 0390, 0584, 0603, or 0611 on CC AMDISA, send the case to CAT-A regardless of the claim amount. Exception: If the return meets both Frivolous and SDC criteria, send the case to Frivolous.
CC TXMOD has an unreversed pending or posted TC 914 or TC 916	Send to the SDC. Input a CC ACTON history item “To CISDC”.
CC ENMOD has an unreversed pending or posted TC 918	Send to the SDC. Input a CC ACTON history item “To CISDC”.

(4) Claims returned from the CI SDC may have a stamp indicating they have been reviewed.

If ...	And ...	Then ...
The CI SDC returns the claim with instructions for the 1040-X team to work the case	Other routing criteria is present	Follow normal processing procedures. The case must be annotated with the routing criteria and the CI SDC processing instructions must be left attached.
The CI SDC returns the claim with instructions for the 1040-X team to work the case	The processing instructions conflict with IRM instructions	Send the case to AM. The case must be annotated with the issue that doesn't meet SP 1040-X criteria and the CI SDC processing instructions must be left attached.
The CI SDC returns the claim with instructions for the 1040-X team to work the case	The case will be processed	Follow normal processing procedures and add “Per CISDC” in the remarks. Note: When a Z freeze is present, the case must be manually input
CI SDC returns the claim with instructions for the 1040-X team to send the case to Files		Then input a TC 290 .00 and add “Per CISDC” in the remarks.

3.11.6.7.14
(01-02-2025)

**Return Integrity and
Verification Operation
(RIVO) Case Screening**

- (1) The Return Integrity Verification Operation (RIVO) identifies, and intercepts refunds from returns with questionable wage and/or withholding claims, which may include identity theft related issues.
- (2) When verifying documents on CC IRPTR, follow IRM 3.11.6.2.6.1.1, CC IRPTR.
- (3) Use the following chart to on cases with RIVO involvement:

Note: RIVO should not receive any CP notices or returns that have already been stamped by RIVO.

If ...	And ...	Then ...
RIVO is holding the refund with a TC 971 AC 134 Note: Cases with a TC 971 AC 134 are pre-refund wage verification, not ID theft.	Wages and withholding in Column C of the Form 1040-X can be verified per CC IRPTR	Process the Form 1040-X using normal procedures.
RIVO is holding the refund with a TC 971 AC 134 Note: Cases with a TC 971 AC 134 are pre-refund wage verification, not ID theft.	Wages and withholding in Column C of the amended return can't be verified per CC IRPTR.	Take the following action: Exception: If there's additional routing criteria and RIVO takes priority, then route the claim based on the second routing criteria. See IRM 3.11.6.7, Sorting, Routing, and Priority Screening, for routing priority. <ol style="list-style-type: none"> 1. Adjust the account to the Form 1040-X figures following normal procedures. 2. Use HC 4 to set the -K freeze. 3. Open an IDRS control to: C#,AQC6X,A,AQC2 1487877777,* 4. Close the CII case.

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If ...	And ...	Then ...
<p>RIVO is holding the refund with a TC 971 AC 134</p> <p>Note: Cases with a TC 971 AC 134 are pre-refund wage verification, not ID theft.</p>	<p>There's an AQC marker (TC 971 AC 122, 140, or 128) and the account has not been adjusted by RIVO</p>	<p>Take the following action:</p> <p>Exception: If there's additional routing criteria and RIVO takes priority, then route the claim based on the second routing criteria. See IRM 3.11.6.7, Sorting, Routing, and Priority Screening, for routing priority.</p> <ol style="list-style-type: none"> 1. Adjust the account to the Form 1040-X figures following normal procedures. 2. Use HC 4 to set the -K freeze. 3. Open an IDRS control to: C#,AQC6X,A,AQC2 1487877777,* 4. Close the CII case.
<p>There's an open case to RIVO Automated Questionable Credit (AQC), QRPA, or the account was previously adjusted by the AQC program. (The account will show a closed AQC control with a TC 971 AC 122, 140, or 128.) (The TC 971 AC 128 must contain a MISC field of AQCPTC191 or AQCPTC195 and a TC 810 with a memo amount.)</p>	<p>The amended return:</p> <ul style="list-style-type: none"> • Addresses income, withholding, or credits • Addresses the previously adjusted issues • Has Letter 4800C or Letter 3219C attached or mentioned. 	<p>Don't input an adjustment. Send the entire case to RIVO AQC program: RIVO AQC Program Stop 763 ATSC 4800 Buford Hwy Atlanta, GA 39901</p>
<p>There's an open case to RIVO Automated Questionable Credit (AQC), QRPA, or the account was previously adjusted by the AQC program. (The account will show a closed AQC control with a TC 971 AC 122, 140, or 128.) (The TC 971 AC 128 must contain a MISC field of AQCPTC191 or AQCPTC195 and a TC 810 with a memo amount.)</p>	<p>The amended return is changing items other than income, withholding, or credits.</p>	<p>Follow normal processing procedures.</p> <p>Note: For open controls, place the case in "B" status, input the adjustment, and then return the case to its original status.</p>
<p>There are Estimated Tax (ES) Payments on the module, but the taxpayer isn't claiming ES payments on the amended return. Or the taxpayer is claiming a small portion of the ES payments on the module.</p>		<p>Send the case to your local RIVO. Input a CC Acton history item "TO RIVO."</p> <ul style="list-style-type: none"> • Austin: 6574 AUSC • Kansas City: 6574 S-2 KCSC • Ogden: 9002 OSC • Memphis: 6574 AUSC

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- (4) Claims returned from RIVO may have a stamp indicating they have been reviewed.

If ...	And ...	Then ...
RIVO doesn't <ul style="list-style-type: none"> • Provide any specific processing instructions • Indicate "No RIVO Potential" or similar statement 	The claim still appears suspicious	Elevate to your Lead or Manager. The Lead or Manager must check with the local P&A Analyst
RIVO indicates the wages and/or withholding can't be verified, 1040-X can't be verified/disallow, or similar wording	The wages or withholding are the only issue	Take the following action: <ol style="list-style-type: none"> 1. Input a TC 290 .00. 2. Send a Letter 916C using the following fill-in: We can't verify your claim for wages or withholding. Please verify your information. 3. Close the CII case.
RIVO indicates the wages and/or withholding can't be verified, 1040-X can't be verified disallow, or similar wording	The claim has a mix of items that can or can't be verified on IRPTR	Take the following action: <ol style="list-style-type: none"> 1. Input the processable changes and allow items that can be verified through IRPTR. 2. Disallow items that can't be verified on IRPTR. Send a Letter 106C disallowing the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), using the following fill-in: We can't verify your claim for (fill in the blank). Please verify your information. 3. Close the CII case.
RIVO indicates "RIVO is no longer interested in the return."		Follow normal processing procedures.
RIVO returns the claim with instructions for the 1040-X team to work the case	Other routing criteria are present	Follow normal processing procedures. The case must be annotated with the route criteria and the RIVO processing instructions must be left attached.
RIVO returns the claim with instructions for the 1040-X team to work the case	The processing instructions conflict with IRM instructions	Send the case to AM. The case must be annotated with the issue that doesn't meet SP 1040-X criteria and the RIVO processing instructions must be left attached.

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If ...	And ...	Then ...
RIVO returns the claim with instructions for the 1040-X team to work the case	The case will be processed Note: If a Z freeze is present on the case, see IRM 3.11.6.7.13, Criminal Investigation (CI) Scheme Development Center (SDC) Screening.	Follow normal processing procedures and add "Per RIVO" in the remarks.
RIVO returns the claim with instructions for the 1040-X team to send the case to Files		<ol style="list-style-type: none"> 1. Input a TC 290 .00. 2. Add "Per RIVO" in the remarks 3. Close the CII case.

3.11.6.7.15
(05-23-2024)

Category A (CAT-A) Criteria Screening

- (1) To determine if a case meets Category A (CAT-A) criteria, see IRM 21.5.3-2, Examination Criteria (CAT-A) - General, and IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. "CAT-A criteria" cited refers to the amount of the tax decrease, credit increase, or certain other changes. Criteria apply to both refund and balance due returns. Only complete claims can be referred to CAT-A. A claim is considered complete if it has all information required to process the return.
- (2) Only complete claims can be referred to CAT-A. A claim is considered complete if it has all information required to process the return. If the claim is incomplete, correspond following IRM 3.11.6.10, Correspondence Procedures.

Caution: If the response to the correspondence is incomplete, send the claim to CAT-A.
- (3) When screening a case for CAT-A criteria, ensure the change isolated from any other change on the return meets the criteria listed.
- (4) If a CAT-A criteria is met and there is an increase to Earned Income Tax Credit (EITC), unless a CAT-A EITC exception is present, screen the case through CC DDBCK. If the case is selected, follow DDBCK Selected procedures in IRM 3.11.6.13.4 (7), Command Code DDBCK (Dependent Database Check). If the case is not selected, send the case to CAT-A.
- (5) Don't apply CAT-A criteria to:
 - Combat Zone returns when the TP is actively serving in a Combat Zone. See IRM 3.11.6.16.4, Combat Zone
 - CP notices
 - Credits that are being disallowed
 - Credits that are being reduced below the CAT-A tolerance due to master file or math verification
- (6) If the case is being forwarded to CAT-A, do not input a TC 971 AC 013.
- (7) If a dependent's TIN is being changed from an ITIN to SSN, follow IRM 3.11.6.13.1, Revoking a Dependent's ITIN, before sending the claim to CAT-A.
- (8) If the claim meeting CAT-A criteria is complete, follow the table.

If ...	Then ...
The CAT-A issue meets SP criteria	Suspend the case to CAT-A. Caution: If Schedule C meets CAT-A criteria and EIC is increasing, input CC DDBCK to check the validation results prior to referring the case to CAT-A.
The CAT-A issue doesn't meet SP 1040-X criteria	Send to AM as Out of Scope. Follow IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate.
An AUR criteria is present per IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening	Send to AUR following IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate.
There's also an out-of-scope issue present on the case	Send to AM as Out of Scope. Follow IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate.

3.11.6.7.16
(02-06-2024)

**Automated
Underreporter (AUR)
Screening**

- (1) When working accounts with Automated Underreporter (AUR) involvement, research the account to determine where the account is in the AUR process. This can be determined by reviewing the AUR Process Code (PC) listed under the Transaction Code (TC) 922 on the account. The status of an AUR case is determined by the last PC posted. Use the table below when determining if the PC meets routing requirements to AUR.

Note: The process codes are the two-digit numbers below the TC 922.

If the last TC 922 process code is:	Then
No process code (PC) is shown or any PC not listed below	Process as normal.
01, 03, 06	Process as normal.
09	Process as normal.
07, 19, or 49	Process as normal.
10 –14, 16, or 21 – 29	Process as normal.
15 or 18	If the PC immediately preceding PC 15 or PC 18 is other than 01, 03, or 06, route as an open case.
17	Route as ID Theft. See IRM 3.11.6.7.9, Identity Theft (IDT) Screening.

If the last TC 922 process code is:	Then
35, 36, 38, 62–64, 66 or 82, 83, 85 or 86	Send the case to Exam per IRM 3.11.6.7.15, Examination Case Screening.
44, 72 or 84	Send the case to AM.
46, 65 or 76	Send the case to AM.
80	Send the case to AM.
30, 34, 54, 55, 57–60, 75, 77–79, 81, 95, 96, 97–99	Send the case to AUR as an open case.
96	If there's an open control to an AUR employee on IDRS, send the case to AUR as an open case. If there's no open control, process as normal.
47, 48, 51, 52, 70, 71, 73, 74, 91, 92 or 93	Process as normal.
20, 39, 53, 67– 69, 87 - 90, or 94	Send as a reconsideration case.

- (2) If an AUR case meets CAT-A criteria, don't send the case to CAT-A. The case must be sent to AUR for CAT-A determination.
- (3) When sending a CII case to AUR, determine the routing destination by using the first two digits of the TC 922 DLN and follow the table below.

If processing a ...	And the AUR case is ...	Then ...
MEFP case	An open case	Follow the table in IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, and reroute per the AUR – Open Cases instructions.
MEFP case	A reconsideration case	Follow the table in IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, and reroute per the AUR – Reconsideration Cases instructions.
MEFS case	An open case Caution: If the return is in the "Attached Files" and not in the "Document Images" section of the CII case, follow the MEFP instructions above.	Follow the table in . IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, and reroute per the AUR – Open Cases instructions.

If processing a ...	And the AUR case is ...	Then ...
MEFS case	A reconsideration case Caution: If the return is in the “Attached Files” and not in the “Document Images” section of the CII case, follow the MEFP instructions above.	Follow the table in IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, and reroute per the AUR – Reconsideration Cases instructions.

3.11.6.7.17
(01-02-2024)

Accounts Management Case Screening

- (1) Cases are sent to Accounts Management (AM) based on the issue, the dollar tolerance, IDRS conditions, and other various reasons.
- (2) A TC 150 must be posted before sending a case to AM, unless specific instructions are provided.
- (3) Don't input a TC 971 AC 010 when routing a case to AM.
- (4) If there's an open case to AM, send the case to AM.
- (5) Send cases to Accounts Management for a Manual Refund if:
 - a. The taxpayer requests the refund issued in a name other than shown on master file.
 - b. The taxpayer requests the refund issued to a temporary address.
 - c. Refund is less than one dollar.
 - d. Refund is \$10 million or more.
- (6) SP 1040-X tax examiners process cases using CII, and during processing, CII imaged returns might be generated. Use the table below to determine how to process CII imaged returns:

If the CII image originated from...	Then ...
Another area	Send the case to AM. Exception: If a CII imaged return is notated “Process as Original (PAO)” or similar verbiage and there's not a TC 150 posted or pending, then send the case to Batching. When needed, use the Prior Year and Conversion Form 1040 Edit Sheet for Tax Year YYYY. If the case is for the current year and the conversion form isn't available, then “dummy” a current year Form 1040 for processing.
SP 1040-X	Process following normal procedures.

3.11.6.7.18
(02-06-2024)

**Open Case and Open
Control Base Screening**

- (1) Generally, if an account has an open control base on CC TXMOD you'll send the return to the assigned employee or a specified department. An open case can be in any of the following status: "A" Active; "B" Background; "S" Suspense; or "M" Monitor.

Note: Don't route cases that are open in CC ENMOD.

- (2) Cases in A or S status must be routed based on the ASSIGN-TO field of the open control.
- (3) Don't send cases open in B or M status; continue to process if routing criteria isn't present.
- (4) The following exceptions apply to A, B, S, and M status:
 - a. If the open control is in B status due to a P- freeze/TC 841 and the case is a net refund, then send the case to AM.
 - b. Refer cases with a category code NLUN to the assigned IDRS number to process.
 - c. Cases open to Accounts Management must be sent to AM. See (7) below to identify Accounts Management cases, more Accounts Management routing criteria might be identified through research found in (6) below.
 - d. For cases open to a 1040X SP employee see IRM 3.11.6.7.18.1, Cases Open to an SP 1040-X Tax Examiner.
 - e. Cases open to RIVO AQC or QRPA must be screened following IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening.
 - f. For cases that are processable place the case in B status, input the adjustment, and then return it to its original status.
 - g. Cases with Activity 9465 must be placed in "B" status and processed.
 - h. Cases controlled to Appeals IDRS number 66XXX, send the case to AM.
 - i. AUR controlled cases must be screened following IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening.
 - j. Open case controls with a category code "ST04" or "-X04" must be screened following IRM 3.11.6.7.10, Statute Review Screening, and IRM 3.11.6.16.1, Processing Statute Cases.

Exception: If processing a return that's not a statute year, follow IRM 3.11.6.16.1, Processing Statute Cases, paragraph 1f.

- (5) If the open control is assigned to your current or previous IDRS number, close your open control before continuing to take any action on the return.
- (6) Use CC MESSG or the *IDRS Unit and USR Database*, IUUD, web site to determine the appropriate campus location and stop number based on the IDRS number in the ASSIGN-TO field of the open control.

Note: If unable to locate the stop number, see your lead.

- (7) Accounts Management IDRS numbers are identified by the service center two-digit code and 301-399 series. For instance, a Customer Service Representative (CSR) in Kansas City would be 093XX. Submission Processing 1040X Units use the SC code and the 200-244 series. This includes cases open to the AM suspense queue that don't contain 301-399 series:

Campus	Generic IDRS number
Atlanta	0739900025
Andover	0848900000
Austin	0686100000
Brookhaven	0138640000
Cincinnati	0237500000
Fresno	1042000000
Kansas City	0938000000 Reminder: This number is also used by SP 1040-X. See IRM 3.11.6.3, Controlling Cases on the Correspondence Imaging Inventory (CII) System.
Memphis	0339300000
Ogden	0439800000
Philadelphia	0544300093

3.11.6.7.18.1
(01-02-2024)

Cases Open to an SP 1040-X Tax Examiner

- (1) If there's a CII case open to another 1040-X SP tax examiner (TE) for the same tax year, reassign the case to the SP 1040-X TE with the oldest case control. If the other open case is in suspense to a SP 1040-X TE, refer your case to your lead or manager. The lead or manager must ensure the case in suspense is the oldest case. If the case in suspense is the oldest case, the lead or manager must take the following action:
 - a. Enter a case note that states, "Case reassigned to TE with the oldest case control."
 - b. Reassign the case to the TE with the oldest case.

Note: When using the CII auto-distribution function, cases for the same taxpayer are sent to the same TE.

- (2) Ensure all open controls associated with the case(s) that you're processing are closed. Associated cases are those that have an:
 - Open control to your local 1040-X department
 - Open XRET control base with an Activity that has a "SPX" designation and is assigned to a SP 1040-X employee or SP 1040-X queue

Example: An Austin TE is working a MEFS case and notices there are two open controls. One of the open controls is for the MEFS case being worked, and the other is an XRET control assigned to the Kansas City generic queue. See Figure 3.11.6-1, The XRET Control and Open CII Case Match.

-----CONTROL BASE AND HISTORY INFORMATION-----									
C#	STATUS	ACT-DT	ACTION-EMP	ACTIVITY	RCVD-DT	ASSIGN-TO	CAT	ORG	F S
01	A	03112024	0000026796	SPX-123456	03082024	0921500000	XRET		G
02	A	04092024	0000009880	CISZ109876	03082024	0622061565	MEFS		G

Figure 3.11.6-1 The XRET Control and Open CII Case Match

3.11.6.7.19
(01-02-2024)

All Other Claims Screening

- (1) Screen cases for all other specialized routing conditions.

3.11.6.7.19.1
(01-02-2024)

Killed in Terrorist Action (KITA) Screening

- (1) Send all claims identified (on the return or on IDRS) as Killed in Terrorist Action (KITA), Killed in Action (KIA) or Victim of Terrorist Attack to AM, notate "KITA" in the working trail.

Note: The literal "KITA" appears on CC ENMOD, CC IMFOLE, CC TXMOD and CC SUMRY as an indicator.

- (2) Other terminology may include:

- Anthrax
- Oklahoma City
- IRC 104(a)
- 9 / 11
- 911 Disability
- 911 Rescue Workers
- Publication 3920
- September 11th Victim Compensation Fund
- Tax Forgiveness Victims of Terrorist Act
- World Trade Center (WTC)
- Zadroga Act

- (3) Place a CC ACTON history item, "2KITA", on CC TXMOD.

3.11.6.7.19.2
(01-09-2023)

Affordable Care Act and Possible Health Professional Claim Screening

- (1) The Affordable Care Act enacted April 2010 expanded tax benefits for health professionals working in some communities. Health care professionals who received student loan relief under various state programs and work in underserved communities may qualify for refunds on their 2009 federal income tax returns. If you receive the Form 1040-X, Amended U.S. Individual Income Tax Return, referencing the "Excluded student loan amount under 2010 Health Care Act", "Affordable Care Act", or "Student Loan Forgiveness", send the case to AM.

3.11.6.7.19.3
(02-17-2023)

Collection Function Case Screening

- (1) All amended returns must be screened for the following collection function criteria.

- Compliance Services Collection Operations (CSCO)
- Automated Collection Systems (ACS)
- Offer In Compromise (OIC)
- Field Collection Cases
- Automated Substitute For Return (ASFR) and Non-Filer Return (NFR)

- (2) When sending a case to one of the Collection functions listed in paragraph 1 follow the table. If the entire return is being routed to one of the collection areas described in paragraph 1 above, input a TC 971 AC 012.

If sending the case to...	Then ...
Compliance Services Collection Operations (CSCO)	Send the case using e-fax to the number specified per IRM 3.11.6.7.19.3.1, Compliance Services Collection Operations (CSCO) Screening.
Automated Collection Systems (ACS)	Send the case using e-fax to the number specified per IRM 3.11.6.7.19.3.2, Automated Collection Systems (ACS) Screening.
Offer In Compromise (OIC) Screening	Send the case using e-fax to the number specified per IRM 3.11.6.7.19.3.3, Offer In Compromise (OIC) Screening.
Field Collections	Send the case using e-fax to the number specified per IRM 3.11.6.7.19.3.4, Field Collection Case Screening.
Automated Substitute For Return (ASFR) and Non-Filer Return (NFR)	Send the case using e-fax to the number specified per IRM 3.11.6.7.19.3.5, Automated Substitute For Return (ASFR) and Non-Filer Return (NFR) Screening.

3.11.6.7.19.3.1
(01-02-2024)

**Compliance Services
Collection Operations
(CSCO) Screening**

- (1) The following must be detached from an amended return and sent to the Compliance Services Collection Operations (CSCO). See IRM 3.11.6.7.20.1, Working Trail and Action Trail, prior to sending to CSCO.

- a. Form 9465, Installment Agreement Request.

Exception: Don't detach and send Form 9465 when:

- Received with MeF amended returns (MEFP cases), continue processing. The MeF system automatically sends the CSCO a copy of the Form 9465. When Form 9465 is attached to a MeF case (MEFP case) as a PDF, a copy of the form must be sent to the CSCO.
- When sending a case to be processed as an original.

- b. A written request for an Installment Agreement.

- c. CP 503 or CP 504, Taxpayer Notification of Federal Tax Not Received, with a statement of, or similar to:

- Can't pay
- Won't pay
- Want to pay
- Form 9465 is attached

Caution: If the case status is 22 or 24 in the "SC-STs" field on CC TXMOD or "STATUS" field on CC IMFOLT or the "STAT HIS" on CC IMFOLI, follow IRM 3.11.6.7.19.3.2, Automated Collection Systems (ACS) Screening. If the case status is 26, follow IRM 3.11.6.7.19.3.4, Field Collection Case Screening.

- d. CP 523, Past Due Payment Default Notice.
e. Form 433-D, Installment agreement.

- (2) Take the following action if Form 15103, Form 1040 Return Delinquency, or CP 59, First Notice - Return Delinquency, Unfiled Tax Return(s), is present and is:

- a. Attached to an amended return: disregard.
- b. Attached to an original return: send the case to Batching.

(3) When sending a case to CSCO, take the following action:

- Research the Business Operating Division (BOD) code using the *CSCO addresses* found on SERP to identify the correct service center
Note: The BOD code will be SBSE or W&I and is located in the “BOD-CD” field of CC TXMODA.
- Identify the appropriate service center based on the state in which the taxpayer resides

Example: If the BOD code is W&I, and the taxpayer resides in TX, the case would be sent to the Atlanta service center.

(4) Follow the table below when a T- freeze is present.

If ...	Then ...
There's not a Letter 1058, CP 90 or notation such as: <ul style="list-style-type: none"> • Can't pay • Won't pay • Want to pay • Form 9465 is attached 	Workable.
A Letter 1058, CP 90 is attached and there's notation such as: <ul style="list-style-type: none"> • Can't pay • Won't pay • Want to pay • Form 9465 is attached 	See IRM 3.11.6.7.19.3.2, Automated Collection Systems (ACS) Screening.

3.11.6.7.19.3.2
(09-04-2024)

**Automated Collection
Systems (ACS)
Screening**

- (1) When T- freeze is present, review the case status in the SC-STS field on CC TXMOD or STATUS field on CC IMFOLT or the STAT HIS on CC IMFOLI shows the case is in Status 22 or 24, follow the instructions below.

And ...	Then ...
The IRS address is on the top of the letter	<ul style="list-style-type: none"> • Detach the correspondence and send it to the appropriate ACS support site based on the BOD-CD on CC TXMODA. The ACS support site can be found on SERP in the Who/Where tab under <i>ACS Support and Status 22 TAS Liaisons</i>. • Input TC 470, no closing code using CC REQ77. • Leave a working trail on the correspondence and the Form 1040-X. See IRM 3.11.6.7.20.1, Working Trail and Action Trail. • Continue processing Form 1040-X.

And ...	Then ...
<p>The IRS address isn't on the top of the Letter 1058 and correspondence is attached</p> <p>Exception: If a letter or correspondence isn't attached, continue processing Form 1040-X.</p>	<ul style="list-style-type: none"> Research the appropriate ACS support site based on the BOD-CD on CC TXMODA. The ACS support site can be found on SERP in the Who/Where tab under <i>ACS Support and Status 22 TAS Liaisons</i>. Detach the correspondence. Input TC 470, no closing code, using CC REQ77. Leave a working trail on the correspondence and the Form 1040-X. See IRM 3.11.6.7.20.1, Working Trail and Action Trail. Mail the correspondence to the ACS Correspondence Address indicated on SERP. Continue processing Form 1040-X.

(2) When detaching correspondence and sending it to ACS, take the following action:

- Research the Business Operating Division (BOD) code using the *ACS CDP Coordinators* site found on SERP to identify the correct service center.

Note: The BOD code will be SBSE or W&I and is located in the "BOD-CD" field of CC TXMODA.

- Identify the appropriate service center based on the state in which the taxpayer resides.

Example: If the BOD code is W&I, and the taxpayer resides in TX, the case would be routed to the Fresno service center.

3.11.6.7.19.3.3
(01-02-2024)

Offer In Compromise (OIC) Screening

(1) The following must be sent to OIC if a -Y freeze is present on the module.

If ...	Then ...
There's an unreversed TC 480 on the module but no TC 780.	The case is workable.
There's an unreversed TC 480 on the module and a TC 780.	Send the case to the appropriate campus based on the Monitoring Offer in Compromise (MOIC) Compliance Campus Locations for Offers in Compromise. <i>Offer-in-Compromise (OIC) Compliance Campus Locations for the Monitoring of Accepted Offers</i>

(2) When sending a case to OIC, take the following action:

- Offer-in-Compromise (OIC) Compliance Campus Locations for the Monitoring of Accepted Offers* found on SERP to identify the correct service center.
- Identify the appropriate service center based on the state in which the taxpayer resides.

Example: If the taxpayer resides in TX, the case would be sent to the Memphis service center.

3.11.6.7.19.3.4
(01-02-2024)

**Field Collection Case
Screening**

- (1) When T- freeze is present, review the case status in the SC-STS field on CC TXMOD or STATUS field on CC IMFOLT or the STAT HIS on CC IMFOLI shows the case is in status 26, follow the instructions below.

If ...	Then ...
<p>The last four digits of the Collection-Asgmt>field is 8000 (xxx8000).</p> <p>Note: The Collection-Asgmt>field is located at the top right-hand side of CC TXMOD.</p>	<p>Take the following action:</p> <ul style="list-style-type: none"> Research the first two digits of the DLN using the following link to determine where the case must be sent. <i>ASFR Centralized Processing Sites</i> Input a TC 971 AC 012. Exception: Don't send returns with imminent or expired ASER. Suspend the case to Statute per IRM 3.11.6.7.10, Statute Review Screening.
<p>The last four digits of the Collection-Asgmt>field isn't 8000 (xxx8000).</p>	<p>Take the following action:</p> <ul style="list-style-type: none"> Research the appropriate Revenue Officer Group office address using the following link. <i>RO by TSIGN/ZIP/STATE</i> Input TC 470, no closing code, using CC REQ77. Input TC 971 AC 012. Send the entire case to the address obtained from SERP. <p>Note: If the Revenue Officer (RO) inquires why the 1040-X was sent to them, explain we can't process the amended return without their approval since it's assigned to them.</p>

- (2) When sending a case to Field Collections, take the following action:

- If the Collection-Asgmt>field is 8000 (xxx8000), research the first two digits of the DLN using the following link to determine where the case must be sent. *ASFR Centralized Processing Sites*
- If the last four digits of the Collection-Asgmt>field isn't 8000 (xxx8000)
- Research the appropriate Revenue Officer Group office address using the following link. *RO by TSIGN/ZIP/STATE*

3.11.6.7.19.3.5
(01-02-2025)

**Automated Substitute
For Return (ASFR) and
Non-Filer Return (NFR)
Screening**

- (1) ASFR returns are prepared by an IRS employee under IRC 6020(b) when a taxpayer fails to file. The taxpayer is given the opportunity to file a valid voluntary return to correct the proposed assessment, or to agree to the proposed assessment. A NFR is a return that's received in the Service after the posting of the TC 150 Dummy SFR but prior to the issuance of the Initial Contact Letter (ICL) by Exam.

Note: For more information on SFR returns, see IRM 21.5.3.4.10, Returns Prepared Under IRC Section 6020(b). For more information on NFR returns, see IRM 21.5.3.4.10.1, Non-Filer Reject Returns.

(2) When sending a case to ASFR or NFR:

- a. ASFR cases are sent to one of the following areas per paragraph 5 below:
 - Exam per IRM 3.11.6.7.11, Examination Case Screening
 - CSCO per IRM 3.11.6.7.19.3.1, Compliance Services Collection Operations (CSCO) Screening.
- b. NFR cases are sent to one of the following areas per paragraph 5 below:
 - AM
 - The Fresno Campus ASFR unit.

(3) Identify returns for ASFR as follows:

- CC TXMOD - The TC 150 for .00 has the literal "SFR" to the right of the Document Locator Number (DLN).
- CC IMFOLI - The "Vestigial:" field has the literal "SUBST4".

(4) Identity returns for NFR as follow:

- A TC 976 is present
Note: Not all NFR returns include a Transaction Code (TC) 976 on the module.
- CC TXMOD - The TC 150 has the literal "SFR" to the right of the Document Locator Number (DLN).
- AIMS status of 08 or less. (open TC 420/424).
- AIMS Status 90 with a Non-Examined Disposal Code.
Note: Refer to *Examination Disposal codes*, for a complete list of Non-Examined Disposal Codes
- Some cases have the letters NFR across the front of the return.

(5) Route ASFR and NFR returns per the table below:

If ...	And ...	Then ...
SFR returns	There's an unreversed TC 420 and a -L freeze Exception: If CC AMDISA status is 08 or less then see Non-filer Reject below.	See IRM 3.11.6.7.11, Examination Case Screening.
SFR returns	There's an unreversed TC 420 present	Send the case to CSCO per IRM 3.11.6.7.19.3.1, Compliance Services Collection Operations (CSCO) Screening, and input a TC 971 AC 012.
NFR returns	Identified per paragraph 2 above	Send the case to AM.

If ...	And ...	Then ...
Posted TC 599 cc 89 on CC TXMODA		Send the case to AM.
Posted TC 599 cc 88 on CC TXMODA	Without a subsequent TC 599 cc 89	Reminder: Input a TC 971 AC 012.

#

3.11.6.7.20
(01-02-2024)

Releasing Screened Returns

- (1) All SP 1040-X cases are screened and released in the Correspondence Imaging Inventory (CII) system.

3.11.6.7.20.1
(07-22-2024)

Working Trail and Action Trail

- (1) When sending a case, detachment, or prepared form to another area, a working trail or action trail is required.
- (2) When sending a case to another area, input a case note that describes the reason you are sending the case.
- (3) If any of the following elements are missing, edit the missing element(s) on the return, form, schedule, notice, or prepared form.

Exception: Don't edit Personally Identifiable Information (PII) on detached forms that belong to different taxpayers.

- Taxpayer's name
- Taxpayer's address
- Taxpayer Identification Number (TIN), (e.g., SSN, IRSN, ITIN)
- Received date
- Tax Year
- TE number
- Annotate the CII Case Id next to your TE Number.
- Annotate "CII Image- Don't correspond for signature" or Edit "MeF Return - Don't correspond for signature" in the signature area if the case is signed as appropriate.

- (4) Official Use Only (OUO) information mustn't be included in a working trail, action trail, or CII case note. If you're unsure how to identify OUO, see your lead or manager.

3.11.6.7.20.1.1
(01-02-2024)

Working Trails and Action Trails When Reassigning a Case

- (1) When reassigning an entire case, input a CII case note.
- (2) When the entire case isn't being reassigned, follow the table.

If ...	Then ...
Detaching a form, schedule, or notice from a return	<ol style="list-style-type: none"> 1. Input a CII case note that specifies: <ol style="list-style-type: none"> a. Detached item description. b. Routing destination of detachment. 2. Complete <i>Form 12305</i>, Routing Slip, and include the CII case number the form, schedule, or notice was detached from.
Preparing a form or schedule	<ol style="list-style-type: none"> 1. Input a CII case note that specifies: <ol style="list-style-type: none"> a. The prepared item. b. Routing destination of the prepared item. 2. Complete <i>Form 12305</i>, Routing Slip, and include the CII case number used to prepare the form or schedule.

3.11.6.7.20.1.2
(01-02-2024)

**Working Trails and
Action Trails When
Rerouting a Case**

- (1) A CII case, a portion of a case, or a prepared document rerouted through CII is converted to paper for the receiving area.
- (2) When rerouting an entire case, input a CII case note and complete the Routing Slip Data screen.
- (3) When using the Reroute EITC, or Reroute Exam functions, input a CII case note and complete the Routing Slip Data screen as appropriate.
- (4) When a portion of a case, or a prepared document, is being rerouted, see IRM 3.11.6.7.20.1.3, Working Trails and Action Trails When Sending an E-fax or Secure Message.

3.11.6.7.20.1.3
(07-22-2024)

**Working Trails and
Action Trails When
Sending an E-fax or
Secure Message**

- (1) When a CII case, a portion of a case, or a prepared document is being sent to the receiving area via e-fax or secure messaging, follow the table.

If ...	Then ...
Detaching a form, schedule, or notice from a return	<ol style="list-style-type: none"> Input a CII case note that specifies: <ol style="list-style-type: none"> Detached item description. Routing destination of detachment. The method used, e-fax or secure message. Example: Form 9465 sent via e-fax to CSCO. Exception: If routing to OFE, input a case message and not a case note. Complete <i>Form 12305</i>, Routing Slip. When filling out the Remarks section include the following: <ol style="list-style-type: none"> CII Case ID number. The number of pages being sent to the receiving area. The method used, e-fax or secure message.
Preparing a form or schedule	<ol style="list-style-type: none"> Input a CII case note that specifies: <ol style="list-style-type: none"> Detached item description. Routing destination of detachment. The method used, e-fax or secure message. Example: Form 9465 sent via e-fax to CSCO. Exception: If routing to OFE, input a case message and not a case note. Complete <i>Form 12305</i>, Routing Slip. When filling out the Remarks section include the following: <ol style="list-style-type: none"> CII Case ID number. The number of pages being sent to the receiving area. The method used, e-fax or secure message.

3.11.6.7.20.2
(07-22-2024)

**Transaction Code (TC)
971 and Action Codes**

- (1) A TC 971, when input with one of the action codes (AC) below, indicates the taxpayer filed an amended return and begins an action trail for the document. The action code indicates where the return was routed. Since some of these actions generate a TC 977 on master file and a -A or E- freeze on IDRS, the received date of the Form 1040-X must be input for the transaction date. If you're only routing correspondence or a form attached to a Form 1040-X, you generally don't need to enter an action code unless instructed to do so.

- (2) The most common TC 971 action codes are:

Action Code	Description
002	Used when routing a return with No TC 150 to Batching to prevent the E- Freeze from switching to a -A Freeze when the return posts.
010	MeF amended returns, scanned cases processed in SP, and paper filed amended return claims forwarded to Accounts Management (Automatically input by CII).
012	Collection (When routing the entire return).
013	Exam or Frivolous.
014	Statute function .
015	Underreporter function.
016	Destination International Cases amended returns/claims go to Philadelphia (Automatically input by CII).
065	Form 8857, Request for Innocent Spouse Relief (and Separation of Liability and Equitable Relief), filed. Send the case to Covington, KY. (Input by Cincinnati Centralized Innocent Spouse Operation).
071	Form 8379, Injured Spouse Claim and Allocation.
111	ID Theft.
113	Total AOTC, CTC and/or EIC amounts that were disallowed due to the PATH Act.
120	Amended return/claim in Submission Processing.
123	Unemployment Compensation Exclusion Recovery can be identified by the MISC field entry, UCERECOVERY03112021. See IRM 3.11.6.14.1.1.3, Unemployment Compensation Exclusion (UCE) - Tax Year 2020 Only (Line 1).
134	RIVO or CI SDC. See IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening.
137	Refer to IRM 3.11.6.12.1, Entity Changes.
192	<i>Schedule LEP</i> , Request for Alternative Language Products by Taxpayers With Limited English Proficiency (LEP). See IRM 3.11.6.12.2, Schedule LEP, Request for Change in Language Preference.
592	Form 9000, Alternate Media Preference. See IRM 3.11.6.12.3, Form 9000, Alternative Media Preference.
661	Undeliverable mail (UD) indicator.
698	Form 8938, Statement of Foreign Financial Assets, attached to Form 1040-X. See IRM 3.11.6.16.13, Form 8938, Statement of Foreign Financial Assets.

Note: For further information, see TC 971 action codes in *Document 6209*, IRS Processing Codes and Information, Section 8C, Master File Codes.

3.11.6.8
(07-30-2024)
1040-X Routing Guide

- (1) Dollar (\$) Tolerance is the change to Total Tax (line 11) unless otherwise indicated. CAT-A tolerances refer to Total Tax decrease as a direct result of the specific condition without regard to the module balance.

- (2) If an IRM subsection and the Routing Guide contain conflicting information, the specific subsection instructions take precedence over the general instructions contained in the Routing Guide.
- (3) When multiple routing conditions are present, see IRM 3.11.6.7, Sorting, Routing, and Priority Screening. The Maildex IRM 3.10.72, Receiving, Extracting, and Sorting, contains a complete list of forms, letters, CPs and their routing.
- (4) If unable to locate instructions for a specific form in this IRM, check the Maildex/Correspondex for handling instructions. The Maildex IRM 3.10.72-1, Routing Guide/Local Maildex, contains instructions for forms and CPs while IRM 3.10.72-2, Correspondex **C** Letters – Routing Guide, contains instructions for correspondence.
- (5) Routing criteria is located throughout this IRM. This Routing Guide is a reference list of forms, schedules, documents, and tolerances that have route out criteria not mentioned elsewhere. Specifically, lists of routing criteria are found in:
 - IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening
 - IRM 3.11.6.7.12, Frivolous Claims Screening
 - IRM 3.11.6.7.4, International Return Screening
 - IRM 3.11.6.15.1, Freeze Codes
 - IRM 3.11.6.15.2, IDRS Transaction Codes
- (6) The common “When to Route” conditions in the Routing Guide are defined as follows:
 - **Always:** If the conditions are met, route without regard of any changes to the taxpayer’s figures even if the condition doesn’t appear amended.
 - **If Changing:** There must be a change to the dollar amount reported on the tax return. This doesn’t include changes within the Form or Schedule that have no effect on the outcome.
 - **See IRM 3.11.6.X.X:** Review the IRM reference for specific instructions prior to routing.
 - All other situations must fully describe the appropriate “Route if” condition.
- (7) The following table contains routing instructions for cases not worked by SP 1040-X.

Condition	When to Route	Where to Route
Age discrimination claims (IRC 104(a)(2))	Always	AM
Alimony paid deduction (TIN of recipient provided)	If changing	AM
Archer MSA (Form 8853)	Always	AM
Basket Option Transactions <ul style="list-style-type: none"> • Filed under Notice 2015-73 • Filed under Notice 2015-74 	Always	AM
Claim of Right	Always	AM

Condition	When to Route	Where to Route
Claim reducing capital gain preference items for the Alternative Minimum Tax (AMT) (PL 99-272)	If changing	AM
Clean-Fuel Vehicle - (IRC 179A)	Always	AM
CP 2000 Reminder: Check last process code of the TC 922	See IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening.	Underreporter
CP 2006 Reminder: Check last process code of the TC 922	See IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening.	Underreporter
CP 2501 Reminder: Check last process code of the TC 922	See IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening	Underreporter
Disabled Combat Veteran, Combat Injured Veteran (or similar), Letter 6060-A or Letter 6060-D letter attached (taxable to nontaxable) Disability Severance Pay Military Retirement Military Disability Pay VA Claim St. Clair vs US Strickland Claim	Always	AM
Domestic Production Activities Deduction (Form 8903)	If changing	AM
Employee Retention Credit Voluntary Disclosure Program	Always	AM Note: Route as KATX.
Erroneous Refunds	Always	AM
Examination Classification Disallowed or Rejected	Always	AM
Excess Contributions to an IRA	Always	AM
Exonerated Prisoner, Incarceration Exclusion PATH Act, or similar notation	Always	Send the case to AM with EXPR as the working trail
Extraterritorial Income exclusion (Form 8873)	Always	AM
Fiscal Year Filer	Always	AM
Form 499/W-2PR/W-3PR Withholding Statement	Always	AM

Condition	When to Route	Where to Route
Form 843, Claim for Refund and Request for Abatement	Always	AM
Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation	Always	AM
Form 965 or IRC 965 notated	Always	AM
Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)	Always	AM
Form 1099-Q, Payments from Qualified Education Programs	If changing	AM
Form 1116, Foreign Tax Credit Note: If Form 1118, Foreign Tax Credit - Corporations, is attached, always send the case to AM	If changing	AM
Form 1310, Statement of Person Claiming Refund Due to a Deceased Taxpayer	Always	AM
Form 2159, Payroll Deduction Agreement	Always	Detach Form from the amended return and send the case to <i>Collection Operation</i> .
Form 2210-F, Underpayment of Estimated Tax by Farmers and Fishermen	Always	AM
Form 3115, Application for Changing in Account Method	Always	AM
Form 3911, Taxpayer Statement Regarding Refund	Always	Detach and send the case to Refund Inquiry.
Form 3949, Information Report Referral	Always	Detach and send the case to your local function based on the checked box on line 9-14 on the second page.
Form 3949-A, Information Referral	Always	Send the case to OSC Mail Stop: 6273
Form 4137, Social Security and Medicare Tax on Unreported Tip Income	If changing	AM
Form 5405, First Time Home Buyer Credit Recapture/Repayment	If changing	AM
Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations	Always	AM
Form 5884-B, New Hire Retention Credit	Always	AM

Condition	When to Route	Where to Route
Form 8288, Withholding on Distributions by Foreign Persons of U.S. Real Property Interests	Always	AM
Form 8288-A, Withholding on Distributions by Foreign Persons of U.S. Real Property Interests	Always	AM
Form 8288-B, Withholding on Distributions by Foreign Persons of U.S. Real Property Interests	Always	AM
Form 8615, Tax for Certain Children Who Have Unearned Income	Always	AM
Form 8801, Credit Paid for Prior Year Minimum Tax	If changing	AM
Form 8839, Qualified Adoption Expenses	If changing	AM
Form 8853, Archer MSAs and Long-Term Care Insurance	Always	AM
Form 8854, Initial and Annual Expatriation Information Statement	Always	AM
Form 8859, District of Columbia First-Time Home Buyer Credit	Always	AM
Form 8862, Information To Claim Certain Refundable Credits After Disallowance	Always	AM
Form 8873, Extraterritorial Income Exclusion	Always	AM
Form 8885, Health Coverage Tax Credit	If changing	AM with HCTC in the working trail.
Form 8889, Health Savings Account	If changing	AM
Form 8891, U.S. Information Return for Beneficiaries of Certain Canadian Registered Retirement Plans	Always	AM
Form 8903, Domestic Production Activities Deduction	If changing	AM
Form 8915-A, Qualified 2016 Disaster Retirement Plan Distributions and Repayments	Always	AM
Form 8915-B, Qualified 2017 Disaster Retirement Plan Distributions and Repayments	Always	AM
Form 8915-C, Qualified 2018 Disaster Retirement Plan Distributions and Repayments	Always	AM
Form 8915-D, Qualified 2019 Disaster Retirement Plan Distributions and Repayments	Always	AM
Form 8915-E, Qualified 2020 Disaster Retirement Plan Distributions and Repayments	Always	AM
Form 8915-F, Qualified 2021 Disaster Retirement Plan Distributions and Repayments	Always	AM

Condition	When to Route	Where to Route
Form 8919, Uncollected Social Security and Medicare Tax on Wages	If changing	AM
Form 8939, Allocation of Increase in Basis for Property Received from a Decedent	Always	Process the amended return as normal. Send Form 8939 to: Estate and Gift Tax Operation Internal Revenue Service 201 W Rivercenter Blvd Covington, KY 41011 Attn.: Stop 824G
Form 8959, Additional Medicare Tax	If changing	AM
Form 8960, Net Investment Income Tax	If changing	AM Caution: Screen the case for CAT-A criteria. See IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
Form 8962, Premium Tax Credit (PTC)	See IRM 3.11.6.14.5.5, Premium Tax Credit (PTC), Form 8962.	AM and notate in the working trail PTCX.
Form 8994, FMLA	If changing	AM
Form 8996, Qualified Opportunity Fund	If changing	AM
Form 14157 Complaint: Tax Return Preparer Note: If Form 14157-A is also attached, follow the Form 14157-A procedures	Always	Send the case to: Attn: Return Preparer Office 401 W Peachtree Street NW Mail Stop 421-D Atlanta, GA 30308
Form 14157-A, Tax Return Preparer Fraud or Misconduct Affidavit	Always	Route completed form along with any supporting information to AM.
Fulbright Grantee	Always	AM
Health Care Act excluding student loan amount	Always	AM

Condition	When to Route	Where to Route
Household Employee Income, Household Help, (HSH)	<ul style="list-style-type: none"> If the HSH amount is changing HSH is present and there's a change to any credit 	AM
"ICT/IVO" notation on the amended return or in the remarks	Always	Send the case to AM with "ICT/IVO" as the working trail. See IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening.
Immediate disallowance requested	Always	AM
Insolvent Farmer	If changing	AM
IRA Rollover	If changing	AM
IRA Deduction	If changing	AM
IRC 26 CFR 1.931.1	Always	AM
IRC 104(a)(2) – Claim that income from payments based on age discrimination are excludable	Always	AM
IRC 134 – Claim that compensation as JROTC instructors is tax exempt	Always	AM
IRC 179A – Clean Fuel Vehicle	Always	AM
IRC 301 – Veteran's Disability Compensation is excluded from gross income (This includes St Clair vs. US claims, IRS Ruling 80-9) CSRC or CDRP X% disabled (or VA disability X%) taxable to non-taxable Strickland Claim Pub 525	Always	AM
IRC 692 – Federal Income Tax Forgiveness for Certain U.S. Military and Civilian Employees and Other Individuals	Always	AM with KITA as a working trail.
IRC 803 – Victims of Nazi Regime	Always	AM
IRC 911, IRC 913, IRC 931, or IRC 933	Always	AM
IRC 1341 – Repayments of Debt Cancellation	Always	AM
"Letter 6173", "Letter 6174", "Letter 6174-A", "Digital Assets" (e.g., Virtual Currency or Crypto)	Always	AM
Lottery Winnings (lump sum payment change from ordinary income to capital gain)	Always	AM
Lump sum payment excluded from income	Always	AM

Condition	When to Route	Where to Route
Manual adjustment to penalties and/or interest on tax liabilities. Not adjustment for ES Penalties (TC170/176).	Always	AM
Maritime Claims a. With a breakdown of days, localities, and rates b. Without a breakdown of days, localities, and rates	a. See IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening. b. All others	a. CAT-A b. AM
May Dept. Store vs. Sequa Rev. Rul. 99-40	Always	AM
Medical/Dental Resident FICA Claims, includes: • Mayo Clinic • Minnesota vs. Apfel	Always	AM
"Microcaptive"	Always	Send the case to: Internal Revenue Service 2970 Market Street Philadelphia, PA 19104
Misapplied Payment	See IRM 3.11.6.14.3.2, Estimated Tax Payments (Line 13).	AM
Net Operating Loss (NOL) or any indication of an NOL loss	If changing	Carryback or Carryforward, refer to IRM 3.11.6.7.8, Carryback or Carryforward Screening.
Pension Protection Act PL 109-280	Always	AM
Personal injury damages excluded from income (IRC 104(a)(2))	Always	AM
Pigford vs. USDA Pigford vs. other Black Farmers Suit Keepseagle vs. USDA Native Americans vs. USDA Pigford II vs. USDA	Always	AM
Police Meal Expense	Always	AM
Public Law 99-272 Insolvent Farmer / AMT	Always	AM
Public Safety Officer PSO Exclusion indicated on return	Always	AM
Reconsideration Letter attached	Always	Input TC 971 AC 010. Send to: IRS Andover Campus 310 Lowell St Andover, MA 01810

Condition	When to Route	Where to Route
Refund	Less than \$1.00 or greater than \$10 million, always	AM
Refund Inquiry	Always	AM
Registered Domestic partners (RDPs). Can also be identified as CCA201021050 or CCA. Another indication is Form 8958 is mentioned or attached.	Always	AM
Resubmitted Claim/Re-submission or Appeal of a previously rejected claim	Always	AM
Rev. Rul. 57-383 (Strike Fund Benefits Claim for Refund)	Always	AM
Rollover of Airline Payments to Traditional IRAs	If changing	AM
ROTH IRA	If changing	AM
Safe Harbor	Always	AM
<i>Schedule H</i> , Household Employment Taxes	If changing	AM
Seller Paid Points (also see Schedule A) <ul style="list-style-type: none"> Claimed for tax period other than year of purchase HUD-1 or Settlement Statement not attached Loan origination fees, Loan discount, Discount Points, Paid Points, not mentioned on HUD-1 or Settlement Statement Property taxes, appraisals, inspections, title, or attorney fees included as deductible points 	If changing	AM
Student Loan Forgiveness	If changing	AM
Tax Equity and Fiscal Responsibility Act <ul style="list-style-type: none"> TEFRA Letter 3906 Letter 4505 (any) 	Always	AM
Treaty Trader	Always	AM
<ul style="list-style-type: none"> Tribal General Welfare Exclusion Act of 2014 General Welfare H.R. 3043 Notice 2012–78 Revenue Procedure 2015–35 	Always	OSPC 1973 Rulon White Blvd. Ogden, UT 84201 M/S 7700, Attn: GECS
Unemployment compensation repayments	Always	AM
United Mine Workers of America (UMWA) Refunds claimed for premiums paid	If changing	AM

Condition	When to Route	Where to Route
UDC - Unlawful Discrimination Claims, identified as a write in of "UDC"	Always	AM
W-7, Application for IRS Individual Taxpayer Identification Number <ul style="list-style-type: none"> Attached, or the taxpayer requests additional information to complete processing 	Always	Austin Submission Processing Campus ITIN Operation Stop: AUCS 6090 3651 S IH 35 Austin, TX 78714-9342 Note: Keep all documentation provided by the taxpayer with the application; this may include original passports and birth certificates.
W-7A, Application for Taxpayer Identification Number for Pending U.S. Adoptions (ATIN), is attached to a Form 1040-X	Always	Austin Submission Processing Campus Internal Revenue Service ATIN Unit 3651 S IH 35 Stop 6182 Austin, TX 78767
Walker Tax Court decision transportation expense tax deduction	Always	AM
Williams Claims	Always	AM
Zero Return- Transcription Error	See IRM 21.4.1.4.1.2.2, Return Found - Processing Errors Identified	AM

3.11.6.9
(01-02-2024)
**1040-X Reassignment
and Reroute Guides**

- (1) The MEFP and MEFS reassignment and reroute guides are used when sending CII cases to other areas. Each guide is specific to the category code of the case being processed.

Note: When using the "Reroute" option in CII, a hardcopy of the case image, the case notes, if selected, and a routing slip are printed.

Caution: Reassigned cases that don't have a "valid AM CII combination" are rejected by AM and returned to the MEFP and MEFS AM rejected queue, and then to the TE for correction. See IRM 3.11.6.9.3, MEFP and MEFS Accounts Management Rejected Queue.

- (2) Routing priority applies to reassigning and rerouting cases. When International is one of the routing conditions, refer to IRM 3.11.6.9.1 (2), 1040-X MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2 (2), 1040-X MEFS Reassignment and Reroute Guide, as appropriate.
- (3) See IRM 3.11.6.7.20.1, Working Trail and Action Trail, prior to using the CII Reassign and Reroute functions.

3.11.6.9.1
(07-22-2024)
**MEFP Reassignment
and Reroute Guide**

- (1) Follow the instructions below when reassigning or rerouting a MEFP case.
- (2) If International routing criteria per IRM 3.11.6.7.4, International Returns Screening, is present with one of the other routing conditions below, reassign the case based on the additional issue instructions.
 - Disaster Claim per IRM 3.11.6.7.7, Disaster Claim Screening
 - Carryback per IRM 3.11.6.7.8, Carryback and Carryforward Screening
 - Carryforward per IRM 3.11.6.7.8, Carryback and Carryforward Screening
 - Identity Theft per IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
 - Injured Spouse per IRM 3.11.6.16.12, Form 8379, Injured Spouse Allocation.
 - Zero Return per IRM 21.4.1.4.1.2.2(1), Return Found - Processing Errors Identified.

Example: If a case has both International and Carryback criteria, reassign the case per the Carryback International instructions in paragraph 4 below.

- (3) When reassigning a case, don't close the open control base.
- (4) When reassigning a case, update the case data per IRM 3.11.6.4.8, Updating Case Data, and follow the table below:

Note: Update the required "MFT", "Work Type", "Function", and "Statute Search" fields as appropriate

Caution: If the case data is updated incorrectly, the case will be sent back to you for correction.

If ...	And ...	Then ...
Carryback	Domestic	Use: <ul style="list-style-type: none"> a. Doc Type "Carryback MeF". b. Category "MEFC". Exception: If Form 1045 or Form 1139 is attached, use: <ul style="list-style-type: none"> • Doc Type "Carryback" • Category "TENT". c. Priority Code: Enter the appropriate priority code per the table in IRM 21.5.1.5.2, Cases Currently Assigned in CII.

If ...	And ...	Then ...
Carryback	International	Use: a. Work Type "IMF INTL". b. Doc Type "Carryback MEF". c. Category "MEFR". Exception: If Form 1045 or Form 1139 is attached, use: • Doc Type "Carryback" • Category "ITCB". d. Priority Code: Enter the appropriate priority code per the table in IRM 21.5.1.5.2, Cases Currently Assigned in CII.
Carryforward	Domestic	Use: a. Doc Type "Carryforward". b. Category "CFWD".
Carryforward	International	Use: a. Work Type "IMF INTL". b. Doc Type "Carryforward". c. Category "ICFD".
CAT-A	The CAT-A issue would normally meet SP criteria.	Suspend to CAT-A. Don't change the: • Doc Type Don't change. • Category Don't change.
CAT-A	The CAT-A issue would normally meet SP criteria if the tolerance wasn't met, and there's also an out-of-scope issue present on the case.	See Out of Scope below.
CAT-A	The CAT-A issue would not normally meet SP criteria.	See Out of Scope below.
CAT-A	There's an open AUR case that meets CAT-A criteria.	See paragraph 6 below.
Combat Injured Veterans Tax Fairness Act of 2016, St Clair Claims - SPC8		Use: a. Doc Type "1040X Veteran Claim". b. Category "VRET".
Disaster Claim	Domestic	Use: a. Doc Type "1040X". b. Category "DSTR" or "KATX" per IRM 3.11.6.7.7, Disaster Claim Screening.
Disaster Claim	International	Use: a. Doc Type "1040X". b. Category "DSTR" or "KATX" per IRM 3.11.6.7.7, Disaster Claim Screening.

If ...	And ...	Then ...
Form 14039	Non-tax related (English)	Use: a. Doc Type "ID Theft IDT4". b. Category "IDT4".
Identity Theft	Domestic - Taxpayer Identified	Use: a. Doc Type "ID Theft IDT1". b. Category "IDT1".
Identity Theft	Domestic- IRS Identified.	Use: a. Doc Type "ID Theft IDT3". b. Category "IDT3".
Identity Theft	International- Taxpayer Identified.	Use: a. Doc Type "ID Theft IDT1". b. Category "IDT1".
Identity Theft	International- IRS Identified.	Use: a. Doc Type "ID Theft IDT3". b. Category "IDT3".
Injured Spouse	Domestic	Use: a. Doc Type "Injured Spouse Claim". b. Category "DMFC". c. Program Code "97140".
Injured Spouse	International	Use: a. Doc Type "Injured Spouse Claim". b. Category "DMFC". c. Program Code "97140".
International	Carryback	See Carryback above.
International	Carryforward	See Carryforward above.
International	Identity Theft	See Identity Theft above.
International	Injured Spouse	See Injured Spouse above.
International	Zero Return	See Zero Return below.
International	Form 1040-X or Amended Form 1040 not meeting the criteria directly above.	Use: a. Work Type "IMF INTL". b. Doc Type "1040X MEF". c. Category "MEFI". d. Campus "PSC". e. Reassign.
IRC 965	IRC 965 is mentioned or Form 965 is attached.	Use: a. Doc Type "IRC 965 1040X". b. Category "965X".
KITA		Use: a. Doc Type "1040X". b. Category "KITA".
Out of Scope		Use: a. Doc Type "1040X MeF". b. Category "MEFA".

If ...	And ...	Then ...
Premium Tax Credit		Use: a. Doc Type "ACA-1040X". b. Category "ACAX". c. Program Code "40320". d. Reassign to the "MEFS/MEFP" Out of Scope queue.
Scrambled SSN cases		Use: a. Doc Type "1040X". b. Category "SCRM".
TAS		Use: a. Doc Type "1040X MEF". b. Category "MEFA".
VA Claims Veterans Disability Claims		Use: a. Doc Type "1040X Veteran Claim". b. Category "VRET".
Zero Return-Transcription Error. Tax year 2018 only. See IRM 21.4.1.4.1.2.2 (1), Return Found - Processing Errors Identified.	Domestic	Use: a. Doc Type "1040X". b. Category "SPC5".
Zero Return-Transcription Error. Tax year 2018 only. See IRM 21.4.1.4.1.2.2(1), Return Found - Processing Errors Identified.	International	Use: a. Doc Type "1040X". b. Category "SPC5".

- (5) When reassigning a case, use the appropriate CSR queue number from the *AM Site Specialization Temporary Holding Numbers* list on the SERP that correlates to the Doc Type and Category from paragraph 3 above.

Note: When reassigning a case to TAS, CAT-A, or Premium Tax Credit, use the Out of Scope CSR queue number.

Exception: When reassigning a case to the International queue, select "PSC" in "Campus" field when updating the case data.

Exception: When reassigning an open case to AM, use the CSR number in the "ASSIGN-TO" field of the open control. If the case is open to a generic AM queue, reassign the case to the Out of Scope (All Other Claims) queue.

(6) When rerouting a case, follow the table below:

If ...	Then ...
Large Business and International	<ol style="list-style-type: none"> Complete the "Routing Slip Data" as follows: <ol style="list-style-type: none"> Complete the "To Stop number" field per the specific IRM subsection. Complete the "From Stop number" field. Complete the "Phone number" field. Complete the "Comments:" field, "The case is on Modernized e-File Return Request Display". Add required working trail or action trail information. Note: Some of these fields may populate by default. Note: Ensure the CII Case ID is present on the routing slip. Select the appropriate campus from the "Print" drop-down menu and then click "Reroute".
Reroute EITC	Follow IRM 3.11.6.13.4, Command Code DDBCK (Dependent Database Check).
Reroute Exam	<ol style="list-style-type: none"> Complete the "Exam Referral Data" section as follows: <ol style="list-style-type: none"> Complete the "To Stop number" field per IRM 3.11.6.7.11, Examination Case Screening. Note: If the "SBC" isn't all zeroes, input the address in the "Comments" field. If there's not a stop number available, input "N/A" in the "To Stop number field". Complete the "From Stop number" field. Complete the "Phone number" field. Note: Some of these fields may populate by default. Complete the "Action" section as follows: <ol style="list-style-type: none"> Check the "Tax Decrease has NOT Been Made" check box. Check the "TC971-013" check box. Input a TC 971 AC 013 per IRM 3.11.6.7.11, Examination Case Screening. Complete the "Reason Referred" section as follows: <ol style="list-style-type: none"> Check the "Open AIMS" check box. Use CC AMDISA to complete the following: <ul style="list-style-type: none"> EGC field. Source Code field. Status Code field. Date field using the Current Status Code Date In the "Remarks" field, notate as follows: "The case is on Modernized e-File Return Request Display". Select the appropriate campus from the "Print" drop-down menu and then click "Reroute" to send the case to Exam.

If ...	Then ...
AUR – Open Case	<ol style="list-style-type: none"> 1. Take the following action <ol style="list-style-type: none"> a. Print the return to pdf. b. Edit any required working trail information. Refer to IRM 3.11.6.7.20.1, Working Trail and Action Trail. c. Complete <i>Form 12305</i>, Routing Slip d. Send the <i>Form 12305</i>, Routing Slip, and the return to the appropriate fax number found in the <i>AUR Addresses (Open Cases)</i> list on SERP. e. Input a case note per IRM 3.11.6.9.4, MEFP and MEFS Secure Messaging and E-fax Routing. f. Input a TC 971 AC 015 g. Close the CII case.
AUR – Reconsideration	<ol style="list-style-type: none"> 1. Take the following action <ol style="list-style-type: none"> a. Print the return to pdf. b. Edit any required working trail information. Refer to IRM 3.11.6.7.20.1, Working Trail and Action Trail. c. Complete <i>Form 12305</i>, Routing Slip. d. Send the <i>Form 12305</i>, Routing Slip, and the return to the appropriate fax number found in the <i>AUR Reconsideration</i> list on SERP. e. Input a case note per IRM 3.11.6.9.4, MEFP and MEFS Secure Messaging and E-fax Routing. f. Input a TC 971 AC 015. g. Close the CII case.
Batching	Send to Batching via secure messaging. See IRM 3.11.6.9.4, MEFP and MEFS Secure Messaging and E-fax Routing.

If ...	Then ...
<p>Reroute</p> <ul style="list-style-type: none"> • CI/SDC • COLLECTIONS • ERS • FRIVOLOUS • RIVO • Any other area not listed. <p>Exception: Some of the areas listed above may accept secure message or e-fax routing. See IRM 3.11.6.9.4, MEFP and MEFS Secure Messaging and E-fax Routing</p>	<ol style="list-style-type: none"> 1. Complete the "Routing Slip Data" as follows: <ol style="list-style-type: none"> a. Complete the "To Stop number" field per the specific IRM subsection. b. Complete the "From Stop number" field. c. Complete the "Phone number" field. d. Complete the "Comments:" field, "The case is on Modernized e-File Return Request Display". Add required working trail or action trail information. <p>Note: Some of these fields may populate by default.</p> 2. Select the appropriate campus from the "Print" drop-down menu and then click "Reroute".

(7) To send a MEFP case to Statute per IRM 3.11.6.7.10, Statute Review Screening, take the following actions:

- a. Select "2Statute" from the "Suspend" drop-down list.
- b. Click the tax increase/credit decrease check box, if appropriate.
- c. Complete the ASED field.
- d. Complete the "Comments:" field.

Note: If Statute determines that they must work the case, they print a hardcopy for their use and return the case with instructions to close the case.

3.11.6.9.2
(07-22-2024)
**MEFS Reassignment
and Reroute Guide**

- (1) Follow the instructions below when reassigning or rerouting a MEFS case.
- (2) If International routing criteria per IRM 3.11.6.7.4, International Return Screening, is present with one of the other routing conditions below, reassign the case based on the additional issue instructions.
 - Disaster Claim per IRM 3.11.6.7.7, Disaster Claim Screening
 - Carryback per IRM 3.11.6.7.8, Carryback and Carryforward Screening
 - Carryforward per IRM 3.11.6.7.8, Carryback and Carryforward Screening
 - Identity Theft per IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
 - Injured Spouse per IRM 3.11.6.16.12, Form 8379, Injured Spouse Allocation.

- Zero Return per IRM 21.4.1.4.1.2.2(1), Return Found - Processing Errors Identified.

Example: If a case has both International and Carryback criteria, reassign the case per the Carryback International instructions in paragraph 4 below.

- (3) When reassigning a case, don't close the open control base.
- (4) When reassigning a case, update the case data per IRM 3.11.6.4.8, Updating Case Data, and follow the table below:

Note: Update the required "MFT", "Work Type", "Function", and "Statute Search" fields as appropriate

Caution: If the case data is updated incorrectly, the case will be sent back to you for correction.

If ...	And ...	Then ...
Carryback	Domestic	Use: a. Doc Type "Carryback". b. Category "RINT". Exception: If Form 1045 or Form 1139 is attached, use Category "TENT". c. Priority Code: Enter the appropriate priority code per the table in IRM 21.5.1.5.2, Cases Currently Assigned in CII.
Carryback	International	Use: a. Work Type "IMF INTL". b. Doc Type "Carryback". c. Category "IRNT". Exception: If Form 1045 or Form 1139 is attached, use Category "ITCB". d. Priority Code: Enter the appropriate priority code per the table in IRM 21.5.1.5.2, Cases Currently Assigned in CII.
Carryforward	Domestic	Use: a. Doc Type "Carryforward". b. Category "CFWD".
Carryforward	International	Use: a. Work Type "IMF INTL". b. Doc Type "Carryforward". c. Category "ICFD".
CAT-A	The CAT-A issue would normally meet SP criteria.	Suspend to CAT-A. Don't change the: • Doc Type. • Category.

If ...	And ...	Then ...
CAT-A	The CAT-A issue would normally meet SP criteria if the tolerance wasn't met, and there's also an out-of-scope issue present on the case.	See Out of Scope below.
CAT-A	The CAT-A issue would not normally meet SP criteria.	See Out of Scope below.
CAT-A	There's an open AUR case that meets CAT-A criteria.	See paragraph 6 below.
Combat Injured Veterans Tax Fairness Act of 2016, St Clair Claims		Use: a. Doc Type "1040X Veteran Claim". b. Category "VRET".
CP 08, CP 09, and CP 27 Notices		Use: a. Doc Type "Correspondence". b. Category "TPRQ".
Disaster Claim	Domestic	Use: a. Doc Type "1040X". b. Category "DSTR" or "KATX" per IRM 3.11.6.7.7, Disaster Claim Screening.
Disaster Claim	International	Use: a. Doc Type "1040X". b. Category "DSTR" or "KATX" per IRM 3.11.6.7.7, Disaster Claim Screening.
Form 14039	Non-tax related (English)	Use: a. Doc Type "ID Theft IDT4". b. Category "IDT4".
Identity Theft	Domestic - Taxpayer Identified.	Use: a. Doc Type "ID Theft IDT1". b. Category "IDT1".
Identity Theft	Domestic- IRS Identified.	Use: a. Doc Type "ID Theft IDT3". b. Category "IDT3".
Identity Theft	International- Taxpayer Identified.	Use: a. Doc Type "ID Theft IDT1". b. Category "IDT1".
Identity Theft	International- IRS Identified.	Use: a. Doc Type "ID Theft IDT3". b. Category "IDT3".
Injured Spouse	Domestic	Use: a. Doc Type "Injured Spouse Claim". b. Category "DMFC". c. Program Code "97140".

If ...	And ...	Then ...
Injured Spouse	International	Use: a. Doc Type "Injured Spouse Claim". b. Category "DMFC". c. Program Code "97140".
International	Carryback	See Carryback above.
International	Carryforward	See Carryforward above.
International	Identity Theft	See Identity Theft above.
International	Injured Spouse	See Injured Spouse above.
International	Zero Return	See Zero Return below.
International	Form 1040-X or Amended Form 1040 not meeting the criteria directly above.	Use: a. Work Type "IMF INTL" b. Doc Type "1040X". c. Category "IXRT". d. Campus "PSC". e. Reassign.
IRC 965	IRC 965 is mentioned or Form 965 is attached.	Use: a. Doc Type "IRC 965 1040X". b. Category "965X".
KITA		Use: a. Doc Type "1040X". b. Category "KITA".
Out of Scope		Use: a. Doc Type "1040X". Exception: If the Category is "ACAX", follow Premium Tax Credit below. b. Category "XRET" or "ACAX" per IRM 3.11.6.15.10, Category Codes.
Premium Tax Credit		Use: a. Doc Type: "ACA-1040X" . b. Category "ACAX". c. Program Code "40320". d. Reassign to the "MEFS/MEFP" Out of Scope queue.
Scrambled SSN cases		Use: a. Doc Type "1040X". b. Category "SCRM".
TAS		Use: a. Doc Type "1040X". b. Category "XRET".
VA Claims Veterans Disability Claims		Use: a. Doc Type "1040X Veteran Claim". b. Category "VRET".

If ...	And ...	Then ...
Zero Return-Transcription Error. Tax year 2018 only. See IRM 21.4.1.4.1.2.2 (1), Return Found - Processing Errors Identified.	Domestic	Use: a. Doc Type "1040X". b. Category "SPC5".
Zero Return-Transcription Error. Tax year 2018 only. See IRM 21.4.1.4.1.2.2(1), Return Found - Processing Errors Identified.	International	Use: a. Doc Type "1040X". b. Category "SPC5".

- (5) When reassigning a case, use the appropriate CSR queue number from the *AM Site Specialization Temporary Holding Numbers* list on the SERP that correlates to the Doc Type and Category from paragraph 3 above.

Note: When reassigning a case to TAS, CAT-A, or Premium Tax Credit, use the Out of Scope Paper CSR queue number.

Exception: When reassigning a case to the International queue, select "PSC" in "Campus" field when updating the case data.

Exception: When reassigning an open case to AM, use the CSR number in the "ASSIGN-TO" field of the open control. If the case is open to a generic AM queue, reassign the case to the Out of Scope (All Other Claims) queue.

- (6) When rerouting a case, follow the table below:

If ...	Then ...
Large Business and International	<ol style="list-style-type: none"> Complete the "Routing Slip Data" as follows: <ol style="list-style-type: none"> Complete the "To Stop number" field per the specific IRM subsection. Complete the "From Stop number" field. Complete the "Phone number" field. Complete the "Comments:" field, add any required working trail or action trail information. <p>Note: Some of these fields may populate by default. Note: Ensure the CII Case ID is present on the routing slip.</p> Select the appropriate campus from the "Print" drop-down menu and then click "Reroute".

If ...	Then ...
Reroute EITC	Follow IRM 3.11.6.13.4, Command Code DDBCK (Dependent Database Check).
Reroute Exam	<ol style="list-style-type: none"> Complete the “Exam Referral Data” section as follows: <ol style="list-style-type: none"> Complete the “To Stop number” field per IRM 3.11.6.7.11, Examination Case Screening. Note: If the “SBC” isn’t all zeroes, input the address in the “Comments” field. If there’s not a stop number available, input “N/A” in the “To Stop number field”. Complete the “From Stop number” field. Complete the “Phone number” field. Complete the “Comments:” field, add any required working trail or action trail information. Note: Some of these fields may populate by default. Complete the “Action” section as follows: <ol style="list-style-type: none"> Check the “Tax Decrease has NOT Been Made” check box. Check the “TC971-013” check box. Input a TC 971 AC 013 per IRM 3.11.6.7.11, Examination Case Screening. Complete the “Reason Referred” section as follows: <ol style="list-style-type: none"> Check the “Open AIMS” check box. Use CC AMDISA to complete the following: <ul style="list-style-type: none"> EGC field. Source Code field. Status Code field. Date field using the Current Status Code Date. Select the appropriate campus from the “Print” drop-down menu and then click “Reroute” to send the case to Exam.
AUR – Open Cases Caution: If the return is in the “Attached Files” section and not in the “Document Images” section of the CII case, follow the MEFP reroute instructions in IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide.	<ol style="list-style-type: none"> Take the following action <ol style="list-style-type: none"> Edit any required working trail information. Refer to IRM 3.11.6.7.20.1, Working Trail and Action Trail. Input a TC 971 AC 015. Complete the “Routing Slip Data” as follows: <ol style="list-style-type: none"> Complete the “To Stop number” field per the <i>AUR Addresses (Open Cases)</i> list on SERP. Complete the “From Stop number” field. Complete the “Phone number” field. Complete the “Comments:” field, add any required working trail or action trail information. Note: Some of these fields may populate by default. Select the appropriate campus from the “Print” drop-down menu and then click “Reroute”.

If ...	Then ...
<p>AUR – Reconsideration Cases</p> <p>Caution: If the return is in the “Attached Files” section and not in the “Document Images” section of the CII case, follow the MEFP reroute instructions in IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide.</p>	<ol style="list-style-type: none"> Take the following action <ol style="list-style-type: none"> Edit any required working trail information. Refer to IRM 3.11.6.7.20.1, Working Trail and Action Trail. Input a TC 971 AC 015. Complete the “Routing Slip Data” as follows: <ol style="list-style-type: none"> Complete the “To Stop number” field per the <i>AUR Reconsideration</i> list on SERP. Complete the “From Stop number” field. Complete the “Phone number” field. Complete the “Comments:” field, add any required working trail or action trail information. <p>Note: Some of these fields may populate by default.</p> Select the appropriate campus from the “Print” drop-down menu and then click “Reroute”.
Batching	<ol style="list-style-type: none"> Complete the “Routing Slip Data” as follows: <ol style="list-style-type: none"> Complete the “To Stop number” field per the specific IRM subsection. Complete the “From Stop number” field. Complete the “Phone number” field. Complete the “Comments:” field, add any required working trail or action trail information. <p>Note: Some of these fields may populate by default.</p> Select the appropriate campus from the “Print” drop-down menu and then click “Reroute”.
<p>Reroute</p> <ul style="list-style-type: none"> CI/SDC COLLECTIONS ERS FRIVOLOUS RIVO Any other area not listed. <p>Exception: Some of the areas listed above may accept secure message or e-fax routing. See IRM 3.11.6.9.4, MEFP and MEFS Secure Messaging and E-fax Routing</p>	<ol style="list-style-type: none"> Complete the “Routing Slip Data” as follows: <ol style="list-style-type: none"> Complete the “To Stop number” field per the specific IRM subsection. Complete the “From Stop number” field. Complete the “Phone number” field. Complete the “Comments:” field, add any required working trail or action trail information. <p>Note: Some of these fields may populate by default.</p> Select the appropriate campus from the “Print” drop-down menu and then click “Reroute”.

- (7) To send a MEFS case to Statute per IRM 3.11.6.7.10, Statute Review Screening, take the following actions:

- a. Select "2Statute" from the "Suspend" drop-down list.
- b. Click the tax increase/credit decrease check box, if appropriate.
- c. Complete the ASER field
- d. Complete the "Comments" field.

Note: If Statute determines that they must work the case, they print a hardcopy for their use and return the case with instructions to close the case.

3.11.6.9.3
(07-17-2024)

**MEFP and MEFS
Accounts Management
Rejected Queue**

- (1) Reassigned cases that don't have a valid "AM CII combination" are rejected by Accounts Management (AM) back to Submission Processing (SP) for correction. These rejected cases are sent by AM to the SP Reject queue, 0610482132.

Note: You must notify the headquarter 1040-X analyst immediately upon learning the current SP Reject queue owner will no longer hold a position with SP 1040-X duties. When notifying the headquarter analyst, a new queue number must be provided to ensure that cases can be transferred without interruption.

- (2) The 1040-X quality review (QR) manager or another designated person(s) at each site must review the SP Reject queue daily. The cases must be cleared out of the rejected queue by 9:00 am local time.
- (3) When a rejected case from your site is discovered:
 - a. Input a case message stating, "Rejected by AM for invalid AM CII combination."
 - b. Reassign the case to the tax examiner to take corrective action.

3.11.6.9.4
(01-02-2024)

**MEFP and MEFS Secure
Messaging and E-fax
Routing**

- (1) SP 1040-X uses secure messaging and e-fax routing when directed by the specific IRM subsection.

Note: This subsection isn't all-inclusive and may change frequently.

- (2) Current areas accepting secure message routing from SP 1040-X are:

- OFE
- TAS
- SP 1040-X

- (3) Current areas accepting e-fax routing from SP 1040-X are:

- AUR
- CAF
- CI-SDC
- Collection Functions
 - CSCO
 - ACS
 - OIC
 - Field Collections
 - ASFR and NFR
- SP 1040-X

Note: If there's a problem with an e-fax number, refer the case to your lead or manager. The lead or manager must contact the appropriate AUR coordinator using the *AUR Coordinators* list on SERP.

- (4) When routing via secure messaging or e-fax, see IRM 3.11.6.7.20.1.3, Working Trails and Action Trails When Sending an E-fax or Secure Message.
- (5) To send a case to your site's secure mailbox use the following:

#

- (6) The mailbox owners or other designated personnel such as clerical staff, must monitor their respective site mailbox throughout the day. They will print the documents and send them to the destination indicated on the attached *Form 12305*, Routing Slip.

3.11.6.10
(01-02-2025)
**Correspondence
Procedures**

- (1) When required to send correspondence to the taxpayer(s), you must select the correct paragraphs from the IAT Letters tool or the *Correspondex Letters* on SERP.
- (2) Each letter is to include the following:
 - a. The appropriate signature code and return address code per paragraph 4 below.
 - b. The CII case ID number.
 - c. An appropriate opening paragraph that includes the received date of the return.
 - d. Appropriate paragraphs for the body of the letter to detail the purpose of the correspondence.
 - e. If a fill-in is required, use the designated open paragraph. If an additional space is needed to fill-in paragraphs, use the asterisk to insert another paragraph then continue with the fill-in(s).
 - f. If multiple correspondence issues are present with multiple fill-ins, modify the fill-ins by combining them to remove repeated statements.
 - g. Use the appropriate closing paragraph to include the "0922" toll-free phone number.
- (3) Use the following guidance for correspondence unless otherwise directed with a specific instruction.
 - a. Correspondence must be professional (i.e., correct spelling, punctuation, and grammar).
 - b. Don't correspond when you can "dummy" the form or schedule from the information attached or through IDRS research.
 - c. Don't correspond when the change is the result of a ripple effect and the forms or schedules needed to support the change are missing.
 - d. When sending correspondence, print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page".
 - e. Close the CII case if the case isn't being suspended.
- (4) When sending C-letter correspondence, use the appropriate Correspondex Signature Code and Correspondex Return Address Code.

If ...	Then ...
Sending a C-letter as certified or registered mail	Use the signature code for your site's Submission Processing (SP) field director. <ul style="list-style-type: none"> • Austin - <i>Correspondex Signature Codes</i>. • Kansas City - <i>Correspondex Signature Codes</i>. • Ogden - <i>Correspondex Signature Codes</i>. • Memphis - Use Austin's SP 1040-X Signature Code.
Not sending a C-letter as certified or registered mail	Use the signature code for your site's operations manager. <ul style="list-style-type: none"> • Austin - <i>Correspondex Signature Codes</i>. • Kansas City - <i>Correspondex Signature Codes</i>. • Ogden - <i>Correspondex Signature Codes</i>. • Memphis - Use Austin's SP 1040-X Signature Code.
Your site requires a return address code	Use the appropriate code for your site. <ul style="list-style-type: none"> • Austin - <i>Return Address Codes</i> • Kansas City - <i>Return Address Codes</i> • Ogden - <i>Return Address Codes</i> • Memphis - Use Austin's SP 1040-X Return Address Code.
Your site doesn't require a return address code	Then leave the field blank.

- (5) Correspondence for missing information takes priority over all other correspondence conditions unless otherwise specified.
- (6) When multiple correspondence issues are met, see IRM 3.11.6.10.1, Multiple Correspondence Issues.
- (7) Not all correspondence scenarios are covered by the IRM. See your lead if clarification is needed.
- (8) If correspondence has been issued on a claim with CAT-A criteria or an Exam case and an incomplete response has been received, forward the claim to CAT-A or Exam, as appropriate. See IRM 3.11.6.7.15, Examination.
- (9) All correspondence issues must be identified prior to initiating correspondence to ensure all items are requested at the same time.

Note: Ignore dollar limit tolerances once correspondence has been initiated.

Example: Correspondence is initiated because Form 1040-X is missing a Schedule EIC but there's also an unexplained entry on line 7 of \$400. Correspond addressing both issues.

- (10) In general, correspondence is issued on:
 - a. Letter 76C for credits that were previously claimed or CP notices. See IRM 3.11.6.10.7, Correspondence for Requesting Credit Previously Received (Letter 76C).
 - b. Letter 178C for net result refund or zero-balance on Form 1040-X. See IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C).

- c. Letter 324C for net result balance due on Form 1040-X, APO/FPO/DPO, and Disaster claims. See IRM 3.11.6.10.3 Corresponding on Net Balance Due Returns (Letter 324C).

Exception: Letter 178C, can be sent to an APO/FPO/DPO address when there's no attachment and no reply is expected.

- d. Letter 105C or Letter 105SP for fully disallowed claims. See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
- e. Letter 106C or Letter 106SP for partially disallowed claims. See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
- f. Letter 474C or Letter 474SP for correcting a claim and general correspondence. See IRM 3.11.6.10.6, Correspondence for Correcting a Claim (Letter 474C and 474SP).
- g. Letter 916C or Letter 916SP for "No Considering" a claim. See IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).
- h. Other letters as specified.

Note: Check the CC MESSG "Correspondence News" page for updates to applicable C-Letters and SP-Letters.

- (11) Prior to issuing any correspondence, CC ENMOD must be reviewed to determine the LEP indicator. If the LEP indicator is blank, CC INOLES must be reviewed. When reviewing CC INOLES, if the MFR code is 07, correspondence must be sent in Spanish, if available. See IRM 3.11.6.10.2, Spanish Correspondence.
- (12) Follow the instructions below when the address on the Form 1040-X doesn't match IDRS.

If ...	Then ...
An address change can be made per IRM 3.11.6.12.1, Entity Changes.	Correspond using the address on the Form 1040-X. See IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).
An address change can't be made for reasons other than missing signature	Correspond using the address of record on IDRS. See IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).
An address change can't be made due to a missing signature	Correspond using the address of record on IDRS and suspend the return.

- (13) If a taxpayer is incarcerated, the taxpayer's "prisoner number" must be included on the second name line of any correspondence being issued, if present. Don't update IDRS to add the prisoner number.

3.11.6.10.1
(01-02-2024)

Multiple Correspondence Issues

- (1) Correspond for missing information before addressing any other correspondence issues, unless otherwise specified. If there are identifiable issues on the return that cause a disallowance, no consideration, or a corrected adjustment once the response is received, include appropriate narrative fill-in from other "C" letters that addresses the issue(s) with the Letter 324C, or Letter 178C.

Reminder: Don't follow the instructions below until all correspondence for missing information is complete, see IRM 3.11.6.10, Correspondence Procedures.

- (2) If the return is processable and multiple correspondence conditions exist, the fill-ins or paragraphs might require they be combined from the specific instructions. Use open paragraph(s) when needed.

- If one of the issues is a formal disallowance, send the Letter 106C.
- When a Letter 105C or Letter 106C, formal disallowance letter, is required and other issues on the return require a math error to be set, send both the Letter 105C or Letter 106C and the Letter 474C. See (3) below.
- In all other instances, send the Letter 474C using the open paragraphs to address all issues.

Exception: The Letter 369C, Letter 404C, and Letter 3050C used to return original documents, can't be combined. They must be used in addition to any other letter.

- (3) When an amended return requires both a formal disallowance and a math error, two letters and two adjustments are required:
- a. The first adjustment to address the math error and any other issue(s) that may be present. Send a Letter 474C per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, and address all issues not related to the disallowance. Use the additional fill-in: **You should've received a separate notice that part of your claim was disallowed.**
 - b. The second adjustment to address the disallowance issue. Send a Letter 106C per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

3.11.6.10.2
(01-02-2025)

**Spanish
Correspondence**

- (1) If a letter requires an open paragraph to be filled in, consider the letter as not available in Spanish.
- (2) CC ENMOD must be reviewed to determine the LEP indicator.

If the LEP indicator is ...	And ...	Then ...
001		Send correspondence in Spanish.
Blank	The MFR code is 07 on CC INOLES	Send correspondence in Spanish.

- (3) If corresponding on a married filing joint return, the LEP and MFR indicators must be checked for both the primary and secondary taxpayer. In some instances, two letters must be sent, one in English and one in Spanish, because each taxpayer can file a Schedule LEP to designate their language preference.
- (4) Currently, the following SP 1040-X correspondence letters are available in Spanish.

Correspondence Letter	Spanish Version Available
Letter 76C	N/A
Letter 105C	Letter 105SP
Letter 106C	Letter 106SP
Letter 178C	N/A
Letter 282C	Letter 282SP
Letter 324C	N/A
Letter 369C	N/A
Letter 404C	N/A
Letter 418C	N/A
Letter 474C	Letter 474SP
Letter 916C	Letter 916SP
Letter 3050C	Letter 3050SP

(5) When sending correspondence in Spanish:

- The same C-letter paragraphs are used.
- Use “Formulario 1040-X” instead of “Form 1040-X.”
- Enter the date in DD-month-YYYY format.

Example: If required to send a Letter 105SP, the opening paragraph should read:

Gracias por su Formulario 1040-X del 04 de mayo de 2025.

(6) Use the table below for converting months Spanish.

If ...	Then ...
January	enero
February	febrero
March	marzo
April	abril
May	mayo
June	junio
July	julio
August	agosto
September	septiembre
October	octubre
November	noviembre

If ...	Then ...
December	diciembre

3.11.6.10.3
(01-02-2024)

**Corresponding on Net
Balance Due Returns
(Letter 324C)**

- (1) When an amended return reflects an overall balance due that is missing required forms, schedules, signature(s), or other necessary information, request the missing information using a Letter 324C, Amended (Numbered) Return Incomplete for Processing. When sending Letter 324C:
 - a. Print the C-Letter to PDF and attach it to the case with the “Attach File” button on the “Active Case Page”
 - b. Leave a CII Case Note, describing the items requested
 - c. Suspend the CII case for 45 days from today’s date. If paragraph 2 below applies, don’t suspend
- (2) If the only correspondence issue on a balance due or zero-balance return is a missing signature, issue a Letter 324C at the same time you input your adjustment. When the taxpayer responds, associate the information with the adjustment document.
- (3) When a reply to a Letter 324C is received within the 45-day suspense period, follow the table.

If ...	Then ...
All the requested information is supplied	<ol style="list-style-type: none"> 1. Retrieve the suspense case from the CII suspense Queue. 2. Use the earliest received date from the return as the received date. 3. Use the received date from the taxpayer’s reply as the amended claims date. 4. Use CII Indicator “1”. 5. Use Source Document Indicator “N”. 6. Input the appropriate remarks.
It is determined that correspondence was unnecessary, and all issues can be determined.	<ol style="list-style-type: none"> 1. Retrieve the suspense case from the CII suspense Queue. 2. Use the received date from the return as the received date. 3. Use the received date from the return as the amended claims date. 4. Use CII Indicator “1”. 5. Use Source Document Indicator “N”. 6. Input the appropriate remarks.

If ...	Then ...
The taxpayer doesn't supply all the requested information and the return is still incomplete.	<ol style="list-style-type: none"> 1. Retrieve the suspense case from the CII suspense Queue. 2. Input only the issues that can be determined per normal procedures. 3. Use CII Indicator "1". 4. Use Source Document Indicator "N". 5. Input the appropriate remarks. 6. Send a Letter 474C, per IRM 3.11.6.6, Master File Verification and Math Verification Screening, and IRM 3.11.6.16.5, Inputting a Corrected Adjustment, using the fill-in: You didn't provide (insert a description of the missing information).

(4) If no reply is received, after the 45-day suspense period:

If ...	Then ...
There are issues that can be determined on the return	<p>Send a Letter 474C per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, using the fill-in: You didn't provide (insert a description of the missing information).</p> <p>Note: Don't allow any credits if part of the correspondence was for a missing signature.</p>
All issues on return can be determined	Process the return using the original received date as the received date and the amended claims date.
None of the issues on the return can be determined	Send Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).

(5) Use the table below if a reply is received after the amended return is closed per either paragraph 2, 3, or 4 above:

If ...	Then ...
The Letter 324C wasn't sent by SP 1040-X	Send the case to AM.
The Letter 324C was sent by SP 1040-X	Process as normal. 1. Retrieve the original case from CII and link it to the late reply case. 2. Use the received date from the reply as the received date. 3. Use the received date from the reply as the amended claims date. 4. Use CII Indicator "1". 5. Use Source Document Indicator "N". 6. Add "324C LATE REPLY" to the remarks.

3.11.6.10.4
(07-22-2024)

**Corresponding on Net
Refund and
Zero-Balance Returns
(Letter 178C)**

- (1) When an amended return reflects a net overall refund or zero-balance and is missing required forms, schedules, signature(s), or other necessary information, correspond using Letter 178C. When sending Letter 178C:

- Use the open paragraph to request the missing information
- Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page."
- Leave a CII Case Note describing the items requested
- Input a TC 290 for .00. Use Hold code 1 if the module is in a credit balance

Caution: If there's not a TC 150 present on the account, don't input a TC 290 for .00.

- Close the CII case

Reminder: When the address on the amended return doesn't match IDRS, see IRM 3.11.6.10 (12), Correspondence Procedures.

- If the amended return is reporting additional income and is missing required forms, schedules, and documentation, send Letter 324C per IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).
- If the only issue on a zero-balance return is a missing signature, send Letter 324C per IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C), to request the signature and process the adjustment at the same time. When the taxpayer responds, associate the information with the adjustment document.
- If a signature is missing on an APO, FPO, DPO or a Disaster Claim, suspend the return and correspond using a Letter 324C.
- When the taxpayer responds with all the requested information:
 - Process the claim.
 - Use the received date of the reply as the received date and amended claims date.
 - Link the case to the original amended return.

- (6) If the taxpayer responds with the required forms and/or documents and doesn't address items within tolerance, continue processing the return.

Reminder: Don't use the original received date. Use the received date of the reply as the received date and amended claims date.

- (7) If the taxpayer's reply on a refund return is incomplete or unprocessable:
- Adjust the account for only the issues that are processable and send Letter 474C per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, with the fill-in: **You didn't provide [insert a description of the missing information]**.
 - If no issues are processable, send a Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).
 - If the correspondence involves PATH Act issues, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (8) When it is determined that the correspondence was sent by the IRS in error, follow the table:

If ...	Then ...
All issues can be determined, and the return is incomplete	Send another Letter 178C to request the correct information.
All issues can be determined, and the return is complete	Process the return using the earliest received date as the received date and amended claims date.
None of the issues can be determined	Send Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).

3.11.6.10.5
(05-23-2024)

Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP)

- (1) Taxpayers are sent disallowance letters for fully disallowed or partially disallowed claims:
- Letter 105C is used for fully disallowed claims
 - Letter 106C is used for partially disallowed claims
 - Letters must be sent certified or registered mail
 - Letters must contain the specific reason for the claim disallowance as well as the claim amount
 - Letters must include appeal rights and the right to file suit
- Note:** When including the right to file suit, don't use the paragraph that includes the "Internal Revenue Code Section 6694 penalty" verbiage.
- Use the appropriate selectable paragraph in the IAT Letters tool to include an envelope
- (2) If an amended return is received that has previously been disallowed, send the case to AM. A previous disallowance can be determined by:
- Reviewing the Blocking Series of the previous adjustment. See IRM 3.11.6.15.6, Blocking Series (BS).

- Researching CC ENMOD for an indication that a Letter 105C or Letter 106C has been sent.

(3) If the signature is missing on a full or partial disallowance, correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C).

Reminder: If processing a Statute case, see IRM 3.11.6.16.1, Processing Statute Cases.

(4) See IRM 3.11.6.16.7, Inputting a Disallowance Adjustment, for processing instructions.

3.11.6.10.6
(07-22-2024)

**Correspondence for
Correcting a Claim
(Letter 474C and 474SP)**

(1) The Letter 474C is used to correct a claim and general correspondence as instructed.

(2) A Letter 474C is used in the following:

- For a corrected adjustment, see IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
- When a taxpayer claims a credit they already received, see IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
- When specific instructions are provided.

Note: Print the C-Letter to PDF and attach it to the case with the “Attach File” button on the “Active Case Page.”

3.11.6.10.7
(01-02-2025)

**Correspondence for
Requesting Credit
Previously Received
(Letter 76C)**

(1) When instructed to send Letter 76C, Correspondence for Claim for Refund Approved/Correct/Reduced/Math Error, for an amended return, see IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

(2) If instructed to send a Letter 76C when processing a CP 08, You May Qualify for Child Tax Credit (CTC), follow the table.

If corresponding because ...	And ...	Then ...
The taxpayer claims a child or children that not claimed on the original return	The claim is being partially denied.	Send Letter 76C using the fill-in: We disallowed part of your claim for the Additional Child Tax Credit because a child shown on your notice CP 08 or Form 15110 wasn't claimed on your original return. To claim an additional dependent not claimed on your original return, you must file a Form 1040-X, Amended U.S. Individual Income Tax Return.

If corresponding because ...	And ...	Then ...
The taxpayer claims a child or children disallowed as an exemption the original return	The claim is being partially denied	Send Letter 76C using the fill-in: We disallowed part of your claim for the Additional Child Tax Credit because a child shown on your notice CP 08 or Form 15110 wasn't allowed on your original return. If you want us to consider information that wasn't reported on your original return, you must file a Form 1040-X, Amended U.S. Individual Income Tax Return.

- (3) If instructed to send a Letter 76C when processing a CP 09, Earned Income Credit - You May Be Entitled to EIC, follow the table.

If corresponding because ...	And ...	Then ...
The taxpayer claims a child or children that wasn't claimed on the original return	No other qualifying child from the original return is being claimed.	Use the appropriate paragraphs.
The taxpayer claims a child or children that wasn't claimed on the original return	There's a qualifying child that was claimed on the original return.	Use the appropriate paragraphs.
The child or children were claimed on the original return	The child or children aren't eligible for EITC based on eligibility criteria or our computations and you have verified the taxpayer(s) are not eligible	Use the appropriate paragraphs, include the refund amount, and include the fill-in: We're writing as a follow-up to the (CP 09 notice or Form 15111) we recently mailed you. We're sorry to inform you that you don't qualify for the Earned Income Tax Credit.

- (4) If instructed to send a Letter 76C when processing a CP 27, EIC Potential for Taxpayer Without Qualifying Children, Use the appropriate paragraphs, include the refund amount, and include the fill-in: **We're writing as a follow-up to the (CP 27 notice or Form 15112) we recently mailed you. We're sorry to inform you that you don't qualify for the Earned Income Tax Credit.**

3.11.6.10.8
(09-04-2024)

Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP)

- (1) A Letter 916C informs the taxpayer we can't process the claim and a new claim with the requested information may be filed.
(2) Follow the table below when sending a Letter 916C.

If ...	Then ...
The claim is being no considered per IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Case Screening	<ol style="list-style-type: none"> Input the adjustment as follows: <ol style="list-style-type: none"> Input a TC 290 for .00. Use HC 4 if the module is in a credit balance. Use the applicable Reason Code(s). Input the appropriate remarks. Send Letter 916C using the fill-in: We're unable to process your amended return because we can't verify the income or withholding amount claimed. If you have more information you didn't send to us, you can file another amended return that includes all your supporting information. <ol style="list-style-type: none"> Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page" Leave a CII Case Note describing the issue.
The claim is being no considered per IRM 3.11.6.16.24, Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INC MISMATCH	<ol style="list-style-type: none"> Input the adjustment as follows: <ol style="list-style-type: none"> Input a TC 290 for .00. Use HC 4 if the module is in a credit balance. Use the applicable Reason Code(s). Input the appropriate remarks. Send Letter 916C using the fill-in: We're unable to process your amended return because we can't verify the income or withholding amount claimed. If you have more information you didn't send to us, you can file another amended return that includes all your supporting information. <ol style="list-style-type: none"> Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page" Leave a CII Case Note describing the issue.

If ...	Then ...
The claim is being no considered per IRM 3.11.6.14.3.1, Federal Income Tax Withholding (Line 12)	<ol style="list-style-type: none"> Input the adjustment as follows: <ol style="list-style-type: none"> Input a TC 290 for .00. Use HC 4 if the module is in a credit balance. Use the applicable Reason Code(s). Input the appropriate remarks. Send Letter 916C using the fill-in: We're unable to process your amended return because we can't verify the withholding amount claimed. If you have more information you didn't send to us, you can file another amended return that includes all your supporting information. <ol style="list-style-type: none"> Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". Leave a CII Case Note describing the issue.
The entire claim is being no considered	<ol style="list-style-type: none"> Input the adjustment as follows: <ol style="list-style-type: none"> Input a TC 290 for .00 Use HC 4 if the module is in a credit balance. Use the applicable Reason Code(s). Input the appropriate remarks. Send Letter 916C using the fill-in: You didn't provide [insert a description of the missing information]. If you have more information you didn't send to us, you can file another amended return that includes all your supporting information. <ol style="list-style-type: none"> Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". Leave a CII Case Note describing the issue.

- (3) If a reply to the Letter 916C is received and the taxpayer still has not submitted the requested information, then:
 - Input a TC 290 for .00.
 - Use the applicable Reason Code(s).
 - Input the appropriate remarks.
- (4) If a response to a Letter 916C is received without an amended return attached, follow the table below.

If ...	Then ...
The Letter 916C wasn't sent by SP 1040-X	Send the case to AM.
The Letter 916C was sent by SP 1040-X	<p>Process the case as follows:</p> <ol style="list-style-type: none"> Retrieve the case from CII and link it to the new case. Use the received date of the reply as the received date. Use the received date of the reply as the amended claims date. Input a TC 29X for the appropriate amount. Use the applicable Reason Code(s). Use CII Indicator "1". Use Source Document Indicator "N". Add "916C REPLY" to the remarks. <p>Exception: For Statute cases, follow IRM 3.11.6.16.1, Processing Statute Cases.</p>

3.11.6.10.9
(01-02-2024)

**Correspondence for
Estimated Tax Penalty
(Letter 369C)**

- (1) When instructed to send Letter 369C per IRM 3.11.6.16.8, Estimated Tax Penalty, use the fill-in: **If you qualify for one of the exceptions in Part II of Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts, you may be able to reduce your penalty. Complete and submit Form 2210 according to the instructions.**

3.11.6.10.10
(01-02-2024)

**Correspondence for
Excess Social Security
and Railroad Retirement
Tax (Letter 404C)**

- (1) When instructed to send Letter 404C per IRM 3.11.6.14.3.1.1, Excess Social Security and Railroad Retirement Tax Act (RRTA), follow the table.

If the reason for correspondence is ...	Then ...
Excess Social Security was withheld by only one employer and there's one W-2	<ol style="list-style-type: none"> Input a TC 290 .00. If additional issues are present, continue to process for the remaining issues. Send Letter 404C.
The taxpayer is MFJ and used earnings / Social Security from both the primary and secondary taxpayers to calculate excess Social Security	<ol style="list-style-type: none"> Input a TC 290 .00. If additional issues are present, continue to process for the remaining issues. Send Letter 404C.

3.11.6.10.11
(01-02-2024)

**Correspondence for
Dependent
Documentation (Letter
3050C and Letter
3050SP)**

- (1) When instructed to send Letter 3050C per IRM 3.11.6.13, Personal Exemption or Dependent Changes, be sure to address all dependent related issues.

3.11.6.10.12
(07-22-2024)

**Illegible Amended
Return (Letter 418C)**

- (1) Occasionally, an amended return is received that is illegible. In this instance, send Letter 418C, Amended/Original Return Unavailable; Copy Requested, to request another amended return. When sending Letter 418C:
1. Use the appropriate paragraphs.
 2. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page".
 3. Leave a CII Case Note, stating "Amended return was illegible requesting another amended return."
 4. Select Monitor from the suspense drop down menu and suspend the case for 45 days from today's date.
- (2) If a reply to Letter 418C, Amended/Original Return Unavailable; Copy Requested, isn't received and the 45-day suspense period has lapsed, suspend the case for an additional 90 days. Change the case activity to "418C-90DAYS".
- (3) If the 90-day suspense period has lapsed and a reply has still not been received, close the case with a TC 290 for .00.
- (4) When a reply is received process the amended return following the table below.

If ...	Then ...
The reply is received timely	<ol style="list-style-type: none"> 1. Retrieve the suspense case from the CII suspense Queue. 2. Use the earliest received date from the return as the received date. 3. Use the received date from the taxpayer's reply as the amended claims date. 4. Use CII Indicator "1". 5. Use Source Document Indicator "N". 6. Input the appropriate remarks.
The reply isn't received timely and the case was closed per paragraph (3) above	Process as a new claim.

3.11.6.10.13
(03-13-2024)

**Undelivered
Correspondence**

- (1) When undelivered correspondence is received, see IRM 3.11.6.10.14, Correspondence Received, then follow the instructions below.

- (2) When working an undelivered correspondence, research for a better address using IDRS, the return, the envelope, or use the yellow address change sticker provided by the U.S. Postal Service on the envelope. Compare the address on the yellow sticker to the name and address using CC ENMOD to verify it is the same taxpayer.

Reminder: When an undelivered mail piece has an affixed USPS yellow label, see IRM 3.11.6.12.1.1, Address Changes.

- (3) When researching for a new address and you've found a better address, take the following action:

If ...	And ...	Then ...
The undelivered correspondence isn't a Letter 105C or Letter 106C	The case isn't suspended	<ol style="list-style-type: none"> 1. Don't update the address in IDRS. 2. Send a new letter using the better address.
The undelivered correspondence isn't a Letter 105C or Letter 106C	The case is suspended	<ol style="list-style-type: none"> 1. Don't update the address in IDRS. 2. Send a new letter using the better address. 3. Resuspend the case for 45 days.
The undelivered correspondence is a Letter 105C or Letter 106C		<ol style="list-style-type: none"> 1. Don't update the address in IDRS. 2. Don't reinput the letter. 3. Print the entire (original) letter, including the returned envelope, unchanged. 4. Send the entire (original) letter, including the returned envelope, unchanged, to the better address in a new envelope following local procedures.

- (4) If a new address isn't found, follow the table.

If ...	Then ...
The return was determined processable	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Process the case as normal using the original received date as the amended claims date.

If ...	Then ...
The return is a zero-balance return	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Adjust the account per the return using the earliest received date (that has not been circled out).
Correspondence was a Letter 178C or a Letter 324C requesting missing information	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Input a case note stating "Letter (178C/324C) dated (MM-DD-YYYY) returned undelivered. No new address found." 3. Treat the case as classified waste per IRM 3.11.6.16.22, Classified Waste.
Correspondence was a Letter 916C for missing information	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Input a case note stating "Letter 916C dated (MM-DD-YYYY) returned undelivered. No new address found." 3. Treat the case as classified waste per IRM 3.11.6.16.22, Classified Waste.
Correspondence was a Letter 916C no consideration, or a Letter 474C	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Input a case note stating "Letter (916C/474C/4364C) dated (MM-DD-YYYY) returned undelivered. No new address found." 3. Treat the case as classified waste per IRM 3.11.6.16.22, Classified Waste.
The correspondence was a formal disallowance or contained appeal rights	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Input a case note stating "Letter (105C/106C) dated (MM-DD-YYYY) returned undelivered. No new address found." 3. Treat the case as classified waste per IRM 3.11.6.16.22, Classified Waste.

If ...	Then ...
Correspondence was for informational purposes (such as Direct Deposit)	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Treat the case as classified waste per IRM 3.11.6.16.22, Classified Waste.

- (5) If a Form 1040-X is returned undelivered and a TC 150 is still not posted on the account, research for a new address and follow the table:

If ...	Then ...
A new address is found	Send correspondence to the new address.
A new address isn't found and there are payments on the module	Send the case to AM.
A new address isn't found and there are no payments on the module	<ol style="list-style-type: none"> 1. If the undeliverable mail (UD) indicator isn't present on CC ENMOD, input a TC 971 AC 661 on all open modules to generate the UD indicator. See IRM 3.11.6.10.13.1, Undeliverable Mail Indicator, for more information. 2. Treat the case as classified waste per IRM 3.11.6.16.22, Classified Waste.

- (6) If an undeliverable return is identified as an ID Theft return, then send the case to Entity. See IRM 3.11.6.7.9, Identity Theft (IDT) Screening.
- (7) For undelivered CP 08, CP 09, and CP 27 notices, treat as classified waste. See IRM 3.11.6.16.22, Classified Waste.

3.11.6.10.13.1 (03-13-2024)

Undeliverable Mail Indicator

- (1) The undeliverable mail (UD) Indicator is located on CC ENMOD and is set by a TC 971 AC 661 on a taxpayer's account when returned mail is received back from United States Postal Service (USPS) as undeliverable.
- (2) When using the IAT Letter Tool, you will be alerted the UD indicator is present and must verify the entity information and research for a new address.

If ...	And ...	Then ...
A new address is found	The taxpayer didn't provide clear and concise request for an address change	<ol style="list-style-type: none"> 1. Don't update the address on IDRS. 2. Don't remove the UD indicator. 3. Use the new address when sending correspondence. 4. Advise the taxpayer to complete and submit Form 8822, Change of Address. 5. Override the IAT Letter Tool UD alert to send the letter.
A new address is found	The taxpayer did provide clear and concise request for an address change	<ol style="list-style-type: none"> 1. Update the address on IDRS. 2. Input a TC 972 AC 661 on all open modules with a TC 971 AC 661 to remove the UD indicator. 3. Ensure the new address is used when sending correspondence.
A new address is not found	The UD indicator hasn't been reversed	<ol style="list-style-type: none"> 1. Don't update the address on IDRS. 2. Don't remove the UD indicator. 3. Use last known address when sending correspondence. 4. Advise the taxpayer to complete and submit Form 8822, Change of Address. 5. Override the IAT Letter Tool UD alert to send the letter.

3.11.6.10.14 (01-02-2024)

Correspondence Received

- (1) When correspondence is received, it must be sent to the Image Control Team (ICT) for scanning.
 - a. If the original case is closed, a new case is created with the reply using Category Code IRRQ.

Note: When working an IRRQ reply, the category code must be updated, and the case linked to original CII case.
 - b. If the original case is still open, the reply must be associated to the open CII Case per paragraph 2 below.

Note: When working a reply that is associated to a case, the reply appears in the image section of the open case.
- (2) Send all correspondence replies to ICT are scanned through the exception scanning process.

If correspondence is received on a ...	Then ...
Closed case	<p>The clerical staff or tax examiner must prepare a <i>CII Association Header Sheet</i>.</p> <ul style="list-style-type: none"> • TIN - Use the P-TIN which can be found on IDRS. • Name Control - Use the Primary name control from the letter, form(s), schedule(s), or other document(s). • MFT - Always use "30". • Tax Period - Use the tax period indicated on the letter, form(s), schedule(s), or other document(s). • Case ID - Use the CII Case ID indicated on the letter, or the form(s), schedule(s), or other document(s) if present. • Employee number - Use the tax examiner's IDRS employee number from the letter.
Open case	<p>The clerical staff or tax examiner must prepare a <i>CII Association Header Sheet</i> and input a case note stating what type of correspondence is being sent for association to the case.</p> <p>Example: If a Letter 324C reply is received on MM-DD-YYYY, the case note would be: 324C reply received MM-DD-YYYY sent to ICT for case association.</p> <ul style="list-style-type: none"> • TIN - Use the P-TIN which can be found on IDRS. • Name Control - Use the Primary name control from the letter, form(s), schedule(s), or other document(s). • MFT - Always use "30". • Tax Period - Use the tax period indicated on the letter, form(s), schedule(s), or other document(s). • Case ID - Use the CII Case ID indicated on the letter, or the form(s), schedule(s), or other document(s) if present. • Employee number - Use the tax examiner's IDRS employee number from the letter.

3.11.6.11
(02-17-2023)

Correspondence Table of Issues, C-Letters and Paragraph Fill-ins

- (1) This subsection contains the most common correspondence issues and is referred to throughout the IRM. When sending:
- Letter 178C refer to IRM 3.11.6.11.1, Letter 178C Correspondence Table of Issues.
 - Letter 324C refer to IRM 3.11.6.11.2, Letter 324C Correspondence Table of Issues.

Reminder: Not all correspondence scenarios are covered by the IRM. See your lead if clarification is needed.

3.11.6.11.1
(01-02-2025)

Letter 178C Correspondence Table of Issues

- (1) When sending Letter 178C use the appropriate fill-in from the tables below. These tables address the most common correspondence issues.
- (2) The following table is a guide in corresponding with the taxpayer on Entity issues, it isn't all-inclusive.

If ...	And ...	Fill-in(s) ...
Tax Period is missing	You can't determine the correct tax period through IDRS research and attachments	We're unable to correct your account with the information you provided on your amended return. Please submit another Form 1040-X being sure to provide the tax period. If amending more than one tax year, you must file a separate return for each year.
The taxpayer tries to submit an amended return for multiple tax periods on a single amended return		We're unable to correct your account with the information you provided on your amended return. Please submit another Form 1040-X being sure to provide the tax period. If amending more than one tax year, you must file a separate return for each year.
Primary TIN and/or Secondary TIN can't be determined	ALL attempts have been made (e.g., reviewed attachments, IDRS research, etc.) to secure the TIN	We're unable to correct your account with the information you provided on your amended return. Your Social Security number or your spouse's Social Security number is missing or doesn't show nine digits. Please submit another Form 1040-X with the correct number(s).
TP is changing to FS 2 (MFJ) and the Secondary TIN can't be determined	ALL attempts have been made (e.g., reviewed attachments, IDRS research, etc.) to secure the TIN	We're unable to correct your account with the information you provided on your amended return. Your Social Security number or your spouse's Social Security number is missing or doesn't show nine digits. Please submit another Form 1040-X with the correct number(s).
The TP is changing to FS 4 (HOH)	The TP is claiming a qualifying non-dependent and the name of the QND isn't provided.	We're unable to correct your account with the information you provided on your amended return. Your dependent's name or taxpayer identification number (or both) is missing, incomplete, or doesn't match our records. Please submit another Form 1040-X with the correct information.
The TP is changing to FS 4 (HOH)	Removing all dependents claimed and doesn't change to FS 1 (Single) or provide the name of the QND.	We're unable to correct your account with the information you provided on your amended return. Your dependent's name or taxpayer identification number (or both) is missing, incomplete, or doesn't match our records. Please submit another Form 1040-X with the correct information.

If ...	And ...	Fill-in(s) ...
The dependent name and/or TIN is missing, or TIN and/or name doesn't match CC INOLE, or TIN can't be determined through IDRS research	The taxpayer has not indicated a religious (e.g., "Amish," "Mennonite," or "Form 4029") or conscience-based objection to obtaining a taxpayer identification number (TIN),	We're unable to correct your account with the information you supplied on your amended return. The name or taxpayer identification number of the person you claimed as a dependent on Form 1040X, Part I, Page 2 is either missing, incomplete, or doesn't match our records. Please submit another Form 1040-X with the corrected information.
The dependent name and/or TIN is missing, or TIN and/or name doesn't match CC INOLE, or TIN can't be determined through IDRS research	There's a statement indicating either the dependent isn't deceased or was born before the tax year if deceased	We're unable to correct your account with the information you supplied on your amended return. The name or taxpayer identification number of the person you claimed as a dependent on Form 1040X, Part I, Page 2 is either missing, incomplete, or doesn't match our records. Please submit another Form 1040-X with the corrected information.
One or more ITIN(s) is Inactive	The entire return is unprocessable because of an increase to a credit that is based on an inactive ITIN	We're unable to process your amended return. Please submit a completed Form W-7 application with supporting document(s) to renew the inactive or expired individual taxpayer identification number (ITIN) listed on your return.
One or more ITIN(s) is Inactive	Some issues are processable and the allowable adjustment changes the taxpayer's expected refund/ balance due	We're unable to process your amended return as submitted. There were one, or more, inactive individual taxpayer identification number(s) (ITIN), that caused a change to your return. Please submit a completed Form W-7 application with supporting document(s) to renew any inactive or expired ITIN listed on your return.

- (3) The following table is a guide in corresponding with the taxpayer for missing Forms and Schedules, it isn't all-inclusive.

If ...	And ...	Fill-in(s) ...
The amount shown on a supporting form or schedule differs from the amount shown on the Form 1040-X		We're unable to correct your account with the information you supplied on your amended return. The information provided on [insert Form or Schedule number, Title] doesn't support the entry made on your Form 1040-X. Please submit another Form 1040-X with any documentation necessary to support your claim.
Schedule A, Itemized Deductions, is missing	The TP is changing from a standard deduction to itemized deduction or TP is increasing deductions on an existing Schedule A and doesn't explain the type of deduction and the change isn't the result of a ripple effect	We're unable to correct your account with the information you provided on your amended return. Schedule A, Itemized Deductions, to support your claim was missing. Please submit another Form 1040-X with Schedule A.
Schedule EIC, Earned Income Credit	Is missing and the change isn't the result of a ripple effect	We're unable to correct your account with the information you provided on your amended return. Schedule EIC, Earned Income Credit, to support your claim was missing, incomplete, or contains incorrect information. Please submit another Form 1040-X with a completed Schedule EIC.
Schedule EIC, Earned Income Credit	The qualifying child's SSN doesn't verify	We're unable to correct your account with the information you provided on your amended return. Schedule EIC, Earned Income Credit, to support your claim was missing, incomplete, or contains incorrect information. Please submit another Form 1040-X with a completed Schedule EIC.
<i>Schedule LEP</i> , Request for Change in Language Preference	<i>Schedule LEP</i> was either illegible, had multiple selections, was incomplete, or missing.	We're unable to process your Schedule LEP, Request for Change in Language Preference, because it was either illegible, had multiple selections, was incomplete, or missing. Please complete and submit a new Schedule LEP, Request for Change in Language Preference.
Schedule R, Credit for the Elderly or the Disabled, is missing or incomplete	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Schedule R, Credit for the Elderly or the Disabled, to support your claim was missing. Please submit another Form 1040-X with Schedule R.

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If ...	And ...	Fill-in(s) ...
Schedule SE, Self-Employment Tax,	The schedule is attached and the return is FS 2 and both taxpayers have SE tax they have combined their SE tax onto one Schedule SE	We're unable to correct your account with the information you provided on your amended return. Please submit another Form 1040-X with Schedule SE, Self Employment Tax. Note: On a married filing joint return and both spouses have self-employment income (SEI) or you're unable to determine which spouse the SEI belongs to, use an open paragraph to add the fill-in: If filing jointly and both spouses have self-employment income (SEI), each spouse must file a separate Schedule SE. If only one spouse has SEI, list only that spouse's name on the Schedule SE.
Schedule SE, Self-Employment Tax,	You can't determine which TP account to adjust	We're unable to correct your account with the information you provided on your amended return. Please submit another Form 1040-X with Schedule SE, Self Employment Tax. Note: On a married filing joint return and both spouses have self-employment income (SEI) or you're unable to determine which spouse the SEI belongs to, use an open paragraph to add the fill-in: If filing jointly and both spouses have self-employment income (SEI), each spouse must file a separate Schedule SE. If only one spouse has SEI, list only that spouse's name on the Schedule SE.
Form 1040-X lines 1 – 15 Columns A and C match the information on IDRS	There's no explanation of the change, and you're unable to determine through attachments	We're unable to correct your account with the information you supplied on your amended return. There's not a sufficient explanation to determine the changes you've requested. Please submit another Form 1040-X with an explanation telling us what changes you're making to your income, deductions, or credits, and the reason for each change.
Form 2106, Employee Business Expenses, is missing; there's no explanation of source of the miscellaneous deductions	The amount of the unreimbursed	We're unable to correct your account with the information you provided on your amended return. Form 2106, Employee Business Expenses, to support your claim was missing. Please submit another Form 1040-X with Form 2106.

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If ...	And ...	Fill-in(s) ...
Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, is missing		We're unable to correct your account with the information you provided on your amended return. Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, to support your claim was missing. Please submit another Form 1040-X with Form 2439. A duplicate or photocopy of Form 2439 is acceptable.
Form 2441, Child and Dependent Care Expenses, is missing	The change isn't the result of a ripple effect	We're unable to correct your account with the information you provided on your amended return. Form 2441, Child and Dependent Care Expenses, to support your claim was missing. Please submit another Form 1040-X with Form 2441.
Form 2441, Child and Dependent Care Expenses, is missing	Lines 1c or 2b can't be determined through research	We're unable to correct your account with the information you provided on your amended return. The name and taxpayer identification number (TIN) of the care provider or individual that qualifies you for the Form 2441, Child and Dependent Care Expenses, was missing. Please submit another Form 1040-X with Form 2441.
Form 3800, General Business Credit, or the supporting forms are missing for a specific credit		We're unable to correct your account with the information you provided on your amended return. Form [XXXX], Title, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form [XXXX]. Note: Request the specific credit form. If the specific credit isn't known, request Form 3800, General Business Credit.
Form 4136, Credit for Federal Tax Paid on Fuels, is missing		We're unable to correct your account with the information you provided on your amended return. Form 4136, Credit For Federal Tax Paid on Fuels, to support your claim was missing. Please submit another Form 1040-X with Form 4136.
Form 4684, Casualties and Thefts	Form 4684, Casualties and Thefts, is missing.	Send Letter 324C

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If ...	And ...	Fill-in(s) ...
Form 4684, Casualties and Thefts	The itemized deduction amount was recalculated	We changed your total itemized deductions. On your Schedule A, Itemized Deductions, you showed [\$\$\$] for your Casualty and Theft Losses; however, the correct amount is [\$\$\$]. For more information, see www.irs.gov/Form4684.
Form 4684, Casualties and Thefts	The standard deduction amount was recalculated	When you claim a qualified disaster loss, you're entitled to your standard deduction plus an increased amount for your net loss. We changed your return to deduct the standard deduction plus the qualified disaster loss because the total was more than your itemized deductions. For more information, see www.irs.gov/Form4684.
Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts	If the taxpayer is reporting they are not subject to the 10 percent penalty, Form 5329 must be attached. See IRM 3.11.6.14.2.4.1, Additional Tax on Early Distribution - Form 5329 and Form 1099-R (Line 10).	We're unable to correct your account with the information you provided on your amended return. Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts, to support your claim was missing. Please submit another Form 1040-X with Form 5329.
Form 5695, Residential Energy Credits, is missing	The change isn't the result of a	We're unable to correct your account with the information you provided on your amended return. Form 5695, Residential Energy Credits, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form 5695.
Form 6478, Biofuel Producer Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 6478, Biofuel Producer Credit, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form 6478.
Form 8606, Nondeductible IRAs, isn't attached	The taxpayer is reporting or has indicated a change to a Nondeductible IRA in the explanation part of the Form 1040-X	We're unable to correct your account with the information you provided on your amended return. Form 8606, Nondeductible IRAs, to support your claim was missing. Please submit another Form 1040-X with Form 8606.

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If ...	And ...	Fill-in(s) ...
Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, is missing	A copy of the divorce decree or Form 2120 isn't attached	We're unable to correct your account with the information you provided on your amended return. Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, to support your claim was missing. Please submit another Form 1040-X with Form 8332.
Schedule 8812, Credits for Qualifying Children and Other Dependents, is missing		We're unable to correct your account with the information you provided on your amended return. Schedule 8812, Credits for Qualifying Children and Other Dependents, was missing. Please submit another Form 1040-X with a completed Schedule 8812.
Form 8396, Mortgage Interest Credit, is missing		We're unable to correct your account with the information you provided on your amended return. Form 8396, Mortgage Interest Credit, to support the changes you've made was missing. Please submit another Form 1040-X with a completed Form 8396.
Form 8826, Disabled Access Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 8826, Disabled Access Credit, to support your claim was missing. Please submit another Form 1040-X with a completed Form 8826.
Form 8834, Qualified Electric Vehicle Credit, is missing and Form 3800, General Business Credit, isn't attached	The amount claimed isn't the result of a ripple effect	We're unable to correct your account with the information you provided on your amended return. Form 8834, Qualified Electric Vehicle Credit, to support your claim was missing. Please submit another Form 1040-X with a completed Form 8834.
Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit, is missing and Form 3800, General Business Credit, isn't attached		We're unable to correct your account with the information you provided on your amended return. Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit, to support your claim was missing. Please submit another Form 1040-X with a completed Form 8835.

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If ...	And ...	Fill-in(s) ...
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) isn't attached	The amount claimed isn't the result of a ripple effect	We're unable to correct your account with the information you provided on your amended return. Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), to support the changes you've made was missing or incomplete. Please submit another Form 1040-X with a completed Form 8863.
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) is attached	The EIN is missing and can't be determined through attachments or IDRS research,	We're unable to correct your account with the information you provided on your amended return. Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), to support the changes you've made was missing or incomplete. Please submit another Form 1040-X with a completed Form 8863.
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) is attached	Lines 20 thru 22 in Part III of Form 8863 are not complete	We're unable to correct your account with the information you provided on your amended return. Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), to support the changes you've made was missing or incomplete. Please submit another Form 1040-X with a completed Form 8863.
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) is attached	The student's name and/or TIN is missing and can't be determined Note: Form 1098-T may be used to determine the student's name or TIN.	We're unable to correct your account with the information you provided on your amended return. Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), to support the changes you've made was missing or incomplete. Please submit another Form 1040-X with a completed Form 8863.
Form 8864, Biodiesel and Renewable Diesel Fuels Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 8864, Biodiesel and Renewable Diesel Fuels Credit, to support your claim was missing. Please submit another Form 1040-X with a completed Form 8864.

If ...	And ...	Fill-in(s) ...
Form 8880, Credit for Qualified Retirement Savings Contributions, is missing		We're unable to correct your account with the information you provided on your amended return. Form 8880, Credit for Qualified Retirement Savings Contributions, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form 8880.
Form 8907, Nonconventional Source Fuel Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 8907, Nonconventional Source Fuel Credit, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form 8907.
Form 8910, Alternative Motor Vehicle Credit, is missing, and Form 3800, General Business Credit, isn't attached	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 8910, Alternative Motor Vehicle Credit, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form 8910.
Form 8911, Alternative Fuel Vehicle Refueling Property Credit, is missing, and Form 3800, General Business Credit, isn't attached	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 8911, Alternative Fuel Vehicle Refueling Property Credit, to support the changes you've made was missing. Please submit another Form 1040-X along with a completed Form 8911.
Form 8917, Tuition and Fees Deduction, is missing	Any amount claimed	We're unable to correct your account with the information you provided on your amended return. Form 8917, Tuition and Fees Deduction, to support the changes you've made was missing. Please submit another Form 1040-X with Form 8917.
Form 8936, Clean Vehicle Credits, and/or Form 8936 Schedule A, is missing	The Form 8936, and/or Form 8936 Schedule A, is missing	We're unable to correct your account with the information you provided on your amended return. Form 8936, Clean Vehicle Credits, and/or Form 8936, Schedule A, Clean Vehicle Credit Amount, which are required, to support the changes you've made was incomplete or missing. Please submit another Form 1040-X along with a completed Form 8936.

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If ...	And ...	Fill-in(s) ...
Form 8936, Clean Vehicle Credits, and/or Form 8936 Schedule A, is missing	The VIN number is missing	We're unable to correct your account with the information you provided on your amended return. The Vehicle Identification Number (VIN) on Form 8936, Schedule A, Clean Vehicle Credit Amount, which is required to support the changes you've made was missing. Please submit another Form 1040-X and a completed Form 8936, Schedule A, with a VIN.
Form W-2/W-2C is missing or doesn't reflect the exclusion	An amended return is filed claiming an IRC 127 exclusion of \$5,250 or less	We're unable to correct your account with the information you provided on your amended return. Form W-2, Wage and Tax Statement, to substantiate your reduction of wages due to employer provided educational assistance benefits was missing. Please submit another Form 1040-X with Form W-2 to substantiate your claim. We'll accept a duplicate from your employer or a photocopy.
	There's no explanation of the change and you're unable to determine through attachments	We're unable to correct your account with the information you supplied on your amended return. There's not a sufficient explanation to determine what changes are being requested. Please submit another Form 1040-X with an explanation to tell us what changes were made to your income, deductions, or credits with the amounts and reason for each change.
There's a new unsub-	There's no explanation of the change for the credit	We're unable to correct your account with the information you supplied on your amended return. There's not a sufficient explanation to determine what changes are being requested. Please submit another Form 1040-X with an explanation to tell us what changes were made to your income, deductions, or credits with the amounts and reason for each change.
Form 1040-X Column A doesn't match IDRS	The return can't be perfected and there's not an amended Form 1040 attached	We're unable to correct your account with the information you provided on your amended return. The amounts entered in Column A, Original amount, don't match our records, and it's unclear what adjustment(s) are being requested. Please verify your information and submit another Form 1040-X.

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If ...	And ...	Fill-in(s) ...
Any Form or Schedule (not previously listed) is missing to support the change	net balance due. See IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).	We're unable to correct your account with the information you supplied on your amended return. [Form/Schedule XXXX] to support your claim was missing. Please submit another Form 1040-X with [Form/Schedule XXXX].
Notice 2014-7 exclusion is claimed	The required information is missing	<ol style="list-style-type: none"> 1. First fill-in: Please provide the full name and social security number of the person receiving homecare, copies of governmental and social service documents, medical and utility bills for you and the person receiving homecare to verify you both resided in the same home for the tax year the credit is being claimed, and all payments being excluded were from a qualified state Medicaid waiver program. 2. Second fill-in: Handwritten notes and letters won't be considered.

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- (4) The following table is a guide in corresponding with the taxpayer for signature issues.

If ...	And ...	Fill-in(s) ...
A signature is missing	Conditions in IRM 3.11.6.4.6, Signature, paragraphs 5, 6, 8, and 9 don't apply	We're unable to process your amended return because it wasn't signed. Please complete, sign, and submit another Form 1040-X.
A signature is missing on a decedent return	The return isn't signed by a surviving spouse, an executor, or an administrator	<p>We're unable to process your amended return because it wasn't signed. Please complete, sign, and submit another Form 1040-X. Additionally, if one spouse is deceased, then the surviving spouse must sign the return indicating "Filing as Surviving Spouse" in the signature area and include the date of death.</p> <p>Caution: Don't address correspondence to the deceased taxpayer.</p>

If ...	And ...	Fill-in(s) ...
The return is signed by someone other than the taxpayer (there's clear indication that the TP is a minor child)	A parent didn't sign, or fiduciary relationship such as a Guardian is clearly identified and the tax	We're unable to process your amended return because it wasn't signed by you. Please complete, sign, and submit another Form 1040-X. If you're a parent signing for a minor child, you must sign the child's name and your name, writing "parent of minor child" in the signature area.
The return is signed by someone other than the taxpayer	The following apply: <ul style="list-style-type: none"> No General/Durable POA is attached Form 2848 isn't attached Form 8821, Tax Information Authorization, is attached and the appointee signed the return There's no declaration of good standing attached and POA is granted to an attorney, CPA enrolled agent, or enrolled actuary 	We're unable to process your amended return because it wasn't signed by you. Please complete, sign, and submit another Form 1040-X. If someone signs the return on your behalf, you must send us a power of attorney or court certificate or Form 2848, Power of Attorney and Declaration of Representative.
The signature on the return doesn't match a representative listed on CFINK, or no record is found, or SIGN: field on CC CFINK is marked "NO"	Form 2848 isn't attached	We're unable to process your amended return because it wasn't signed by you. Please complete, sign, and submit another Form 1040-X. If you can't write your name, please sign your mark with two witnesses present. The witnesses must also sign next to your mark.
The return is signed with an "X"	Two witnesses didn't sign	We're unable to process your amended return because it wasn't signed. Please complete, sign, and submit another Form 1040-X. If you can't write your name, please sign your mark with two witnesses present. The witnesses must also sign next to your mark.
The jurat is missing Note: if the jurat has been altered route as Frivolous	There's no amended Form 1040 attached or if attached the jurat is missing	Send 324C letter and don't mail the return back.

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If ...	And ...	Fill-in(s) ...
The signature is missing	Correspondence is being sent per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP)	We're unable to process your amended return because it wasn't signed. Additionally, you can't claim (what's being disallowed) because [reason for disallowance]. Please complete, sign, and submit another Form 1040-X.

3.11.6.11.2
(01-02-2025)

Letter 324C
Correspondence Table
of Issues

- (1) When sending Letter 324C use the appropriate fill-in from the tables below. These tables address the most common correspondence issues.
- (2) The following table is a guide in corresponding with the taxpayer on Entity issues, it isn't all-inclusive.

If ...	And ...	Fill-in(s) ...
Tax Period is missing	You can't determine the correct tax period through IDRS research and attachments	Send Letter 178C.
The taxpayer tries to submit an amended return for multiple tax periods on a single amended return		Send Letter 178C.
Primary TIN and/or Secondary TIN can't be determined	ALL attempts have been made (e.g., reviewed attachments, IDRS research, etc.) to secure the TIN	Use the appropriate paragraphs from the Letter 324C .
TP is changing to FS 2 (MFJ) and the Secondary TIN can't be determined	ALL attempts have been made (e.g., reviewed attachments, IDRS research, etc.) to secure the TIN	Use the appropriate paragraphs from the Letter 324C .
The TP is changing to FS 4 (HOH)	The TP is claiming a qualifying non-dependent and the name of the QND isn't provided.	Use the appropriate paragraphs from the Letter 324C.
The TP is changing to FS 4 (HOH)	Removing all dependents and doesn't change to FS 1 (Single) or provide the name of the QND.	Use the appropriate paragraphs from the Letter 324C .
The dependent name and/or TIN is missing, or TIN and/or name doesn't match CC INOLE, or TIN can't be determined through IDRS research	The taxpayer has not indicated a religious (e.g., "Amish," "Mennonite," or "Form 4029") or conscience-based objection to obtaining a taxpayer identification number (TIN)	Use the appropriate paragraphs from the Letter 324C.

If ...	And ...	Fill-in(s) ...
The dependent name and/or TIN is missing, or TIN and/or name doesn't match CC INOLE, or TIN can't be determined through IDRS research	There's a statement indicating either the dependent isn't deceased or was born before the tax year if deceased	Use the appropriate paragraphs from the Letter 324C .
One or more ITIN(s) is Inactive	The entire return is unprocessable because of an increase to a credit that is based on an inactive ITIN	Send Letter 178C.
One or more ITIN(s) is Inactive	Some issues are processable and the allowable adjustment changes the taxpayer's expected refund/balance due	Send Letter 178C.

- (3) The following table is a guide in corresponding with the taxpayer for missing Forms and Schedules, it isn't all-inclusive.

If ...	And ...	Fill-in(s)
The amount shown on a supporting form or schedule differs from the amount shown on the Form 1040-X		Use the appropriate paragraphs from the Letter 324C .
Schedule A, Itemized Deductions, is missing	The TP is changing from a standard deduction to itemized deduction or TP is increasing deductions on an existing Schedule A and doesn't explain the type of deduction and the change isn't the result of a ripple effect	Use the appropriate paragraphs from the Letter 324C .
Schedule EIC, Earned Income Credit	Is missing and the change isn't the result of a ripple effect	Use the appropriate paragraphs from the Letter 324C.
Schedule EIC, Earned Income Credit	The qualifying child's SSN doesn't verify	Use the appropriate paragraphs from the Letter 324C .
<i>Schedule LEP</i> , Request for Change in Language Preference	<i>Schedule LEP</i> was either illegible, had multiple selections, was incomplete, or missing.	Use the appropriate paragraphs from the Letter 324C .
Schedule R, Credit for the Elderly or the Disabled, is missing or incomplete	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .

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If ...	And ...	Fill-in(s)
Schedule SE, Self-Employment Tax	The schedule is attached and the return is FS 2 and both taxpayers have SE tax. The taxpayers have combined their SE tax onto one Schedule SE	Taxpayers filing jointly must each file a separate Schedule SE if both spouses have self-employment income. Note: On a married filing joint return and both spouses have self-employment income (SEI) or you're unable to determine which spouse the SEI belongs to, use an open paragraph to add the fill in: Taxpayers filing jointly must each file separate Schedules SE if they both have self-employment income.
Schedule SE, Self-Employment Tax	You can't determine which TP account to adjust	Taxpayers filing jointly must each file a separate Schedule SE if both spouses have self-employment income. Note: On a married filing joint return and both spouses have self-employment income (SEI) or you're unable to determine which spouse the SEI belongs to, use an open paragraph to add the fill in: Taxpayers filing jointly must each file separate Schedules SE if they both have self-employment income.
Form 1040-X lines 1 – 15 Columns A and C match the information on IDRS	There's no explanation of the change, and you're unable to determine through attachments	Use the appropriate paragraphs from the Letter 324C .
Form 2106, Employee Business Expenses, is missing; there's no explanation of source of the miscellaneous deductions	The amount of the unreimbursed	Use the appropriate paragraphs from the Letter 324C .
Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, is missing		Use the appropriate paragraphs from the Letter 324C .
Form 2441, Child and Dependent Care Expenses, is missing	The change isn't the result of a ripple effect	Use the appropriate paragraphs from the Letter 324C.
Form 2441, Child and Dependent Care Expenses, is missing	Lines 1c or 2b can't be determined through research	Use the appropriate paragraphs from the Letter 324C .

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If ...	And ...	Fill-in(s)
Form 3800, General Business Credit, or the supporting forms are missing for a specific credit		Use the appropriate paragraphs from the Letter 324C . Note: Request the specific credit form. If the specific credit isn't known, request Form 3800, General Business Credit.
Form 4136, Credit for Federal Tax Paid on Fuels, is missing		Use the appropriate paragraphs from the Letter 324C .
Form 4684, Casualties and Thefts	Form 4684, Casualties and Thefts, is missing.	Use the appropriate paragraphs from the Letter 324C.
Form 4684, Casualties and Thefts	The itemized deduction amount was recalculated	Send Letter 178C.
Form 4684, Casualties and Thefts	The standard deduction amount was recalculated	Send Letter 178C .
Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts	If the taxpayer is reporting they are not subject to the 10 percent penalty, Form 5329 must be attached. See IRM 3.11.6.14.2.4.1, Additional Tax on Early Distribution - Form 5329 and Form 1099-R (Line 10).	Use the appropriate paragraphs from the Letter 324C .
Form 5695, Residential Energy Credits, is missing	The change isn't the result of a	Use the appropriate paragraphs from the Letter 324C .
Form 6478, Biofuel Producer Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .
Form 8606, Nondeductible IRAs, isn't attached	The taxpayer is reporting or has indicated a change to a Nondeductible IRA in the explanation part of the Form 1040-X	Use the appropriate paragraphs from the Letter 324C .
Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, is missing	A copy of the divorce decree or Form 2120 isn't attached	Use the appropriate paragraphs from the Letter 324C .
Schedule 8812, Credits for Qualifying Children and Other Dependents, is missing		Use the appropriate paragraphs from the Letter 324C .

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If ...	And ...	Fill-in(s)	
Form 8396, Mortgage Interest Credit, is missing		Use the appropriate paragraphs from the Letter 324C .	#
Form 8826, Disabled Access Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .	#
Form 8834, Qualified Electric Vehicle Credit, is missing and Form 3800, General Business Credit, isn't attached	The amount claimed isn't the result of a ripple effect	Use the appropriate paragraphs from the Letter 324C .	
Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit, is missing and Form 3800, General Business Credit, isn't attached		Use the appropriate paragraphs from the Letter 324C .	#
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) isn't attached	The amount claimed isn't the result of a ripple effect	Use the appropriate paragraphs from the Letter 324C.	
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) is attached	The EIN is missing and can't be determined through attachments or IDRS research	Use the appropriate paragraphs from the Letter 324C.	
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) is attached	Lines 20 thru 22 in Part III of Form 8863 are not complete	Use the appropriate paragraphs from the Letter 324C.	
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), (line 7 and/or 15 of Form 1040-X) is attached	The student's name and/or TIN is missing and can't be determined Note: Form 1098-T may be used to determine the student's name or TIN.	Use the appropriate paragraphs from the Letter 324C .	

If ...	And ...	Fill-in(s)
Form 8864, Biodiesel and Renewable Diesel Fuels Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .
Form 8880, Credit for Qualified Retirement Savings Contributions, is missing		Use the appropriate paragraphs from the Letter 324C .
Form 8907, Nonconventional Source Fuel Credit, is missing and Form 3800, General Business Credit, isn't attached	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .
Form 8910, Alternative Motor Vehicle Credit, is missing, and Form 3800, General Business Credit, isn't attached	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .
Form 8911, Alternative Fuel Vehicle Refueling Property Credit, is missing, and Form 3800, General Business Credit, isn't attached	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .
Form 8917, Tuition and Fees Deduction, is missing	Any amount claimed	Use the appropriate paragraphs from the Letter 324C .
Form 8936, Clean Vehicle Credits, and/or Form 8936 Schedule A, is missing	The Form 8936, and/or Form 8936 Schedule A, is missing	Use the appropriate paragraphs from the Letter 324C.
Form 8936, Clean Vehicle Credits, and/or Form 8936 Schedule A, is missing	The VIN number is missing	Use the appropriate paragraphs from the Letter 324C .
Form W-2/W-2C is missing or doesn't reflect the exclusion	An amended return is filed claiming an IRC 127 exclusion \$5,250 or less	Please provide a copy of your Form W-2, Wage and Tax Statement, to substantiate your claim for a reduction of wages due to employer provided educational assistance benefits. We will accept a duplicate from your employer or a photocopy.

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If ...	And ...	Fill-in(s)	
	There's no explanation of the change and you're unable to determine through attachments	Use the appropriate paragraphs from the Letter 324C .	#
There's a new unsub-	There's no explanation of the change for the credit	Use the appropriate paragraphs from the Letter 324C .	#
Form 1040-X Column A doesn't match IDRS	The return can't be perfected and there's not an amended Form 1040 attached	Please verify your information, the amounts entered in Column A, Original amount, don't match our records. Provide a complete copy of Form 1040X, page 1, and attach supporting forms and schedules to support the change(s) you're requesting.	
Any Form or Schedule (not previously listed) is missing to support the change	net balance due. See IRM 3.11.6.10.3, Corresponding on Net Balance Due Returns (Letter 324C).	Use the appropriate paragraphs from the Letter 324C .	#
Notice 2014-7 exclusion is claimed	The required information is missing	<ol style="list-style-type: none"> 1. First fill-in: Please provide the full name and social security number of the person receiving homecare, copies of governmental and social service documents, medical and utility bills for you and the person receiving homecare to verify you both resided in the same home for the tax year the credit is being claimed, and all payments being excluded were from a qualified state Medicaid waiver program. 2. Second fill-in: Handwritten notes and letters won't be considered. 	

(4) The following table is a guide in corresponding with the taxpayer for signature issues.

If ...	And ...	Fill-in(s) ...
A signature is missing	Conditions in IRM 3.11.6.4.6, Signature, paragraphs 5, 6, 8, and 9 don't apply	Use the appropriate paragraphs from the Letter 324C .

If ...	And ...	Fill-in(s) ...
A signature is missing on a decedent return	The return isn't signed by a surviving spouse, an executor, or an administrator	Use the appropriate paragraphs from the Letter 324C . Reminder: Don't address correspondence to the deceased taxpayer.
The return is signed by someone other than the taxpayer (there's clear indication that the TP is a minor child)	A parent didn't sign, or fiduciary relationship such as a Guardian is clearly identified and the tax	Use the appropriate paragraphs from the Letter 324C .
The return is signed by someone other than the taxpayer	The following apply: <ul style="list-style-type: none"> • No General/Durable POA is attached • Form 2848 isn't attached • Form 8821, Tax Information Authorization, is attached and the appointee signed the return • There's no declaration of good standing attached and POA is granted to an attorney, CPA enrolled agent, or enrolled actuary 	Use the appropriate paragraphs from the Letter 324C .
The signature on the return doesn't match a representative listed on CFINK, or no record is found, or SIGN: field on CC CFINK is marked "NO"	Form 2848 isn't attached	Use the appropriate paragraphs from the Letter 324C .
The return is signed with an "X"	Two witnesses didn't sign	Use the appropriate paragraphs from the Letter 324C .
The jurat is missing Note: if the jurat has been altered route as Frivolous	There's no amended Form 1040 attached or if attached the jurat is missing	Use the appropriate paragraphs from the Letter 324C .
The signature is missing	Correspondence is being sent per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP)	Use the appropriate paragraphs from the Letter 324C.

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3.11.6.12
(01-02-2024)
**Updating Taxpayer
Information Using CC
ENMOD**

- (1) This subsection provides information on changes made to filing status, *Schedule LEP*, Request for Change in Language Preference, and Form 9000, Alternative Media Preference. Evaluate each situation to determine when to adjust a taxpayer's filing status, language and alternative media preference.

3.11.6.12.1
(07-22-2024)
Entity Changes

- (1) If the taxpayer requests their refund be issued in a name or address other than the one shown on the adjustment, send the case to AM per IRM 3.11.6.7.17, Accounts Management Case Screening.
- (2) When making any Entity changes, input the change on IDRS using CC ENREQ to generate the CC INCHG screen.
- (3) A signature (both if MFJ) is required before an address change can be input. If signature correspondence is required, use the address of record.

Exception: A signature isn't required on an undelivered mail piece with an affixed USPS yellow label. Follow IRM 3.11.6.12.1.1 (3), Address Changes.

- (4) Don't update the Entity section if an adjustment isn't being input or the return is being sent to another area.
- (5) Input a posting delay code on any adjustment when making any changes to the taxpayer's address or name line information.
- (6) If there's a pending change that affects the return you're processing, input a posting delay code.
- (7) Follow the instructions in the table below when a name change is requested:

If ...	Then ...
Taxpayer files a Form 1040-X to indicate a name change only	Check CC INOLE for NEW SSA/NC or SSA: 1. If the name control on Form 1040-X matches the "NEW" SSA/NC or SSA, input TC 290 .00 and close the CII case. Don't update the name. 2. If the name control on Form 1040-X doesn't match the "NEW" SSA/NC or SSA, route the return to Entity with the following notation in the comments section of the routing slip: "Name change request -- don't process 1040-X."
Taxpayer files a Form 1040-X to indicate a name change and tax changes are also required	Check CC INOLE for NEW SSA/NC or SSA: 1. If name control on Form 1040-X matches the "NEW" SSA/NC or SSA, continue to process the return, if no route out criteria is present. Don't update the name. 2. If the name control on Form 1040-X doesn't match the "NEW" SSA/NC or SSA, send the case to AM.

Note: Taxpayers sometimes use variations of their first name, including using initials when filing original (verification is performed by matching the name control to the SSN) and amended returns. This isn't considered an indication of a name change unless the taxpayer is specifically asking for a name change. If the taxpayer is requesting to change the name the table above would be followed.

Exception: Input name change only if there's a clear indication that the name was transcribed incorrectly (e.g., ANDERSON transcribed as ANDESON).

3.11.6.12.1.1
(03-13-2024)

Address Changes

- (1) Don't update the address if an address change has posted after the Form 1040-X received date. Use CC ENMOD to verify cycle date. If the 1040-X is received in the same cycle that an address change has posted then update the address to the address on the 1040-X.
- (2) If the address on the 1040-X doesn't match CC ENMOD or one of the conditions below applies, update the address.
 - a. Taxpayer alters the address in the Entity of the Form 1040-X or on a CP notice.
 - b. Taxpayer specifically indicates in the Explanation of Changes.
 - c. Taxpayer attaches a separate sheet or Form 8822 requesting the address change.

Note: If working a Form W-7 to reactivate an ITIN, see IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7).

- (3) Upon receipt of any undelivered mail piece with an affixed USPS yellow label, research and update the address following the table. If the case you're working doesn't fall into one of the issues in table, don't update the address.

Exception: An address on a yellow label becomes the taxpayer's last known address unless taxpayer provides clear and concise notification of a change of address, or the Service properly processes a taxpayer's federal income tax return with a different address per paragraph 2 above.

If the taxpayer's ...	And ...	Then ...
Name printed in the letter	What is shown on the "yellow label" are exactly the same	Update the taxpayer address to the "yellow label" address.
Mailing address differs from the "yellow label"	The name printed on the "yellow label" is an exact match to the correspondence	Update the taxpayer's mailing address to the "yellow label" address. Then reissue the correspondence to the taxpayer's updated mailing address.
First name is similar to the one on the "yellow label"	The last name is an exact match	Confirm whether IRS records show any other taxpayers with similar first names and the exact same last name at the same address. If not, update the taxpayer address. Otherwise, don't update the taxpayer address.

- (4) If both a PO Box and a street address are present on Form 1040-X, input the PO Box on the address line and the street address on the continuation of the name line. If the city and zip code differ between the PO Box and the other address listed use the city and zip code of the PO box.

- (5) The In-Care-Of (C/O) is considered part of the address. If the entity information on IDRS shows an In-Care-Of person, but the amended return doesn't, update the Entity on IDRS and vice-versa. Use CC INCHG field "CONTINUATION-OF-PRIMARY NAME" to update In-Care-Of information.
- (6) If the address on the amended return appears incomplete, research the return packet for the missing information or use *www.USPS.com* to verify the address.
- (7) For address changes on multiple year returns from the same taxpayer, use the address on the most current return.
- (8) If the taxpayer used Form 1040-X instead of Form 8822 to inform us of an address change and there's no tax adjustment, update the address and process the return by inputting a TC 290 .00, Reason Code 099, Source Code 1.
- (9) When Form 8822 is attached and the Form 1040-X is being routed, detach Form 8822, send the case to Entity.

3.11.6.12.1.2
(09-04-2024)

Filing Status Changes

- (1) If a Form 1040-X is received requesting a filing status change, and a TC 971 AC 137 is present on the module, send the case to AM.
- (2) SP won't adjust an account when both taxpayers previously filed a married filing separate, single, or head of household return and are now filing married filing joint. These cases require backing out tax information or merging accounts. Send to AM.
- (3) Use the following chart when making a filing status change:

If the taxpayer changes the filing status on Form 1040-X ...	And ...	Then ...
From FS 0		Update the FS based on Form 1040-X.
To FS 1 (Single)		Update INCHG to FS 1. Use RC 001.
To FS 2 (Married Filing Jointly)		Update INCHG to FS 2. Use RC 002. See IRM 3.11.6.12.1.2.1, Filing Status 2 Changes.
From FS 2 (Married Filing Joint)		Send the case to AM.
To FS 3 (Married Filing Separate)	From FS 1, FS 4, or FS 5	Update INCHG to FS 3. Use Reason Code 003. Enter the spouse's SSN if known. Note: When changing to FS 3, review credit eligibility requirements and take appropriate action.

If the taxpayer changes the filing status on Form 1040-X ...	And ...	Then ...
From FS 3 (Married Filing Separate)	Changing to FS 1, FS 4, or FS 5	The spouse's SSN field may populate with 000-00-0001. This action removes the cross-reference and mustn't be altered. When manually changing from FS 3, input the spouse's SSN following this example.
From FS 3 (Married Filing Separate)	Changing to FS 2	Send the case to AM.
To FS 4 (Head of Household)	The taxpayer is claiming a dependent or non-dependent and the dependent's name or TIN is missing or doesn't match.	Correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
To FS 4 (Head of Household)	The taxpayer is claiming A dependent (name and TIN matches CC INOLE)	Update INCHG to FS 4. Use RC 004.
To FS 4 (Head of Household)	The taxpayer is claiming A non-dependent (name and QND are provided or claimed for EIC)	Update INCHG to FS 4. Use RC 004.
To FS 5 (Qualifying Surviving Spouse)		Update INCHG to FS 5. Use RC 005.
To FS 6 Married Filing Separate return and spouse isn't required to file a return and spouse exemption is claimed		Send the case to AM.
From FS 7		Update the FS based on Form 1040-X.

3.11.6.12.1.2.1 (01-02-2024)

Filing Status 2 Changes

- (1) For FS 2 (MFJ) changes, research for a TC 150 on both the primary and secondary taxpayer's account. Use CC NAME to verify the taxpayer has not previously filed under a different TIN for the tax year that you're working. If both taxpayers have a TC 150 posted, send the case to AM.

Note: If the spouse's account is set up on the invalid segment of master file (an asterisk after the TIN (000-00-0000*), send the case to AM.

- (2) For the tax year you're working, if one spouse didn't previously file a return, adjust the established account of the taxpayer that has filed, to reflect the amended joint return.

Exception: If the non-filed taxpayer has income that exceeds the exemption amount in IRM 3.11.6.13, Personal Exemption or Dependent Change,

and the ASED is less than one year from the IRS Received Date, then send the case to AM.

- (3) Send the case to AM if any of the following conditions apply to the account of the taxpayer who didn't previously file:

- If a TC 140 is present
- If a TC 460 is present
- If an E- freeze is present
- Any available credit or payments requiring a transfer to the primary account

Note: When researching spouse, search for ID Theft markers. See IRM 3.11.6.7.9, Identity Theft (IDT) Screening.

- (4) When adding a spouse, perform thorough research, to verify spouse's name and TIN using IDRS and attachments. If a TIN is obviously inappropriate, for example (111-11-1111) or (123-45-6789) or a similar TIN configuration, missing, incorrect, or illegible, see IRM 3.11.6.4.4, Taxpayer Identification Number (TIN).
- (5) When the taxpayer adds a spouse that has an ITIN, research CC INOLE for the current ITIN status. See IRM 3.11.6.16.14.2, Individual Taxpayer Identification Number (ITIN) Status, for processing instructions.
- (6) If the spouse is changing from an ITIN to a valid SSN, send the case to AM. See IRM 3.11.6.4.4, Taxpayer Identification Number (TIN).
- (7) When editing (adding, replacing, changing, and/or deleting) a spouse, update the DUPOL database using CC DDBCK to correct the filing status and the secondary's information (including EX/DP and Education Credit, if applicable). When DDBCK isn't available use CC DUPED. See IRM 3.11.6.13.5, Command Code DUPED.

Exception: If the only change is a filing status change to FS 2, and no credits are being claimed for the spouse, don't update the DUPOL database.

- (8) The Form 1040 has two separate lines available for taxpayers to use when filing jointly, master file contains only one primary name line. There are 35-character spaces available for both taxpayer names. The bracket "]" is interpreted as a space. Don't use the second line as a continuation of the name line.
- (9) The entering of two brackets around the PRIMARY taxpayer's last name is required when the SECONDARY taxpayer's last name is different than the primary taxpayer's last name. Don't input an additional space before or after the bracket when entering taxpayer names. The ampersand (&) indicates a break in joint filers' names.
- (10) The correct methods to input name changes are shown below: The italicized print indicates the primary taxpayer's name control.

Tax Return	Input Format for Joint Filers
John Owl Mary Owl	John & Mary] <i>Owl</i>

Tax Return	Input Format for Joint Filers
John Owl Mary Shark	John]Ow/] & Mary Shark
John Owl Mary Shark-Owl	John]Ow/] & Mary Shark-Owl
John D Owl Mary Ann Shark- Owl	John D]Ow/] & Mary Ann Shark-Owl
John D Owl III MaryAnn L Shark	John D]Ow/]III & MaryAnn L Shark
John D Owl Jr MaryAnn L Owl	John D Jr & MaryAnn L]Ow/
MaryAnn L Owl John D Owl Jr	MaryAnn L & John D]Ow/]Jr

- (11) Before shortening any taxpayer name(s), all necessary research must be conducted (i.e., CC INOLE, CC RTVUE, CC IMFOL, CC NAMES, CC NAMEI) under both segments of the master file.
- (12) When taxpayers file jointly and it's necessary to reduce the taxpayers' Name Lines or Name Controls, it's important to retain the first four characters of the secondary taxpayer's surname.
- (13) If the primary and secondary name(s) exceeds the 35-character space limit, use the following instructions, in the order presented, to correctly reduce the length of the taxpayer's name:
1. Substitute the appropriate initial for the secondary taxpayer's middle name
 2. Delete middle initial of secondary taxpayer
 3. Substitute the appropriate initial for the primary taxpayer's middle name
 4. Delete middle initial of primary taxpayer
 5. Substitute the appropriate initial for the secondary taxpayer's first name
 6. Substitute the appropriate initial for the primary taxpayer's first name
 7. Substitute the appropriate initials for both the primary and secondary taxpayers' first name(s) if their last name(s) total characters exceed the 35-character spaces limit
 8. Abbreviate the secondary taxpayer's surname. Abbreviate the surname by removing the vowels (begin with the vowels at the end of the secondary taxpayer's surname first)
- Example:** Clydesdale becomes Clydesdal or Clydesdl or Clydsdl (if necessary)
9. Abbreviate the primary taxpayer's surname as the last step. Abbreviate the surname by removing the vowels (begin with the vowels in the end of the primary taxpayer's surname)
- Example:** Appaloosa becomes Appaloos or Appalos or Appals (if necessary).

3.11.6.12.2
(01-03-2023)

**Schedule LEP, Request
for Change in Language
Preference**

- (1) Refer to IRM 22.30.1.8.16.4.1, Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (LEP) and Return Preparation Service, for background information on *Schedule LEP*, Request for Change in Language Preference.
- (2) If the name and TIN that appear on the *Schedule LEP* don't match or aren't clearly marked (i.e., illegible or multiple selections), take the following action:
 1. Don't update the language preference.
 2. Input the requested adjustment from the amended return, if applicable.
 3. Send Letter 178C to request a new *Schedule LEP* per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins. Continue processing the case. Don't send the return or Schedule LEP back to the taxpayer.
- (3) When *Schedule LEP* is attached, review CC ENMOD for a TC 971 AC 192. If present, compare the third, fourth and fifth digits of the MISC field to *Schedule LEP* to determine if there's a change.

Caution: Both primary and secondary taxpayers may file a *Schedule LEP*. Be sure to research CC ENMOD for the taxpayer indicated on *Schedule LEP*.

- (4) If a TC 971 AC 192 is present on CC ENMOD, and third, fourth, fifth digits match Schedule LEP, take no action.
- (5) If a TC 971 AC 192 isn't present on CC ENMOD, or the third, fourth, and fifth digits don't match, input the change using the IAT REQ77 tool for the taxpayer indicated on *Schedule LEP* as follows:

Reminder: Start the IAT REQ77 tool from the ENMOD screen. If the MFT and TX-PRD fields are not cleared out prior to starting the tool research, an error will occur when making the input.

1. In the Transaction Code field, input 971.
2. In the 971/151 code field, input 192.
3. In the Miscellaneous field, input the three-digit code from Schedule LEP.

Note: Insert two blank spaces before inputting the Schedule LEP code. The first two-digits are reserved for future use.

Example: If the Schedule LEP code is 001, the Miscellaneous field input is xx001(xx = two blank spaces).

4. Leave the Transaction Date field blank.
5. In the Remarks field, input "SCH LEP REQUEST"
- (6) If present on CC ENMOD, and third, fourth, fifth digits don't match Schedule LEP, input the Schedule LEP Change following paragraph 4 above.

Note: In the Remarks field, input "SCH LEP CHANGE"

3.11.6.12.3
(01-02-2025)
**Form 9000, Alternative
Media Preference**

- (1) When a Form 9000 is attached to an amended return, review CC ENMOD for a TC 971 AC 592. If present, compare the first- and second-digits of the MISC field to the Form 9000 to determine if there's a change.

- (2) If present on CC ENMOD, and first- and second-digits match Form 9000, take no action.
- (3) If not present on CC ENMOD, input the change using the IAT REQ77 tool as follows:

Reminder: Start IAT REQ77 tool from the ENMOD screen. If the MFT and TX-PRD fields are not cleared out prior to starting the tool research an error will occur when making the input.

1. In the Transaction Code field, input 971.
2. In the Secondary date field, enter the received date of the amended return.
3. In the 971/151 code field, input 592.
4. In the Miscellaneous field, input the two-digit code and the received from Form 9000.

Example: If the Form 9000 code is 01 and the received date is 01012025, then input 01x 01012025 (x= one blank space).

5. Leave the Transaction Date field blank.
6. In the Remarks field, input F9000 REQUEST

- (4) If present on CC ENMOD, and first- and second-digits don't match Form 9000:

- a. Reverse the TC 971 AC 592 using the IAT REQ77 tool as follows:
 - In the Transaction Code field, input 972.
 - In the 971/151 code field, input 592.
 - In the Miscellaneous field, input the two-digit code from the TC 971 AC 592 MISC field.

Example: If the code is 02, then input, 02.

- In the Transaction Date field, input the date of the TC 971 AC 592.
- In the Remarks field, input F9000 REVERSAL

- b. Input the Form 9000 change following paragraph 3 above.

Note: In the Remarks field, input F9000 CHANGE

3.11.6.13
(01-02-2024)

Personal Exemption or Dependent Changes

- (1) Send the case to AM if:
 - Advanced Premium Tax Credit is present
 - Premium Tax Credit is present
 - CDR research indicates APTC was paid on behalf of the dependent.
 - Form 8962, Premium Tax Credit (PTC) is attached.
 - The taxpayer has a notation or attachment that states a religious (e.g., "Amish," "Mennonite," or "Form 4029") or conscience-based objection to obtaining TINs for dependents.
- (2) For 2018 through 2025, taxpayers are not allowed personal exemptions for themselves, spouses, or dependents. When a taxpayer is trying to amend their dependent status, follow the table below.

If ...	Then ...
The taxpayer can't be claimed as a dependent on another return.	a. Process per normal procedures. b. Update the DUPOL database.
The taxpayer can be claimed as a dependent on another return.	a. Process per normal procedures. b. Update the DUPOL database. Reminder: Remove any related credits.

- (3) If a taxpayer is adding a spouse, see IRM 3.11.6.12.1.2.1, Filing Status 2 Changes.
 - (4) If there's an indication that the dependent doesn't live with the taxpayer, see IRM 3.11.6.13.2, Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents.
 - (5) If the taxpayer changes the number of dependents, their filing status may also change.
- Note:** If taxpayer is filing status 4, HOH, and removes all dependents, correspond for qualifying non-dependent (QND) if the taxpayer doesn't change filing status to FS1.
- (6) When adding a dependent, perform thorough research, to verify a dependent's name and TIN using IDRS and attachments. If a TIN is obviously inappropriate, for example (111-11-1111) or (123-45-6789) or a similar TIN configuration, correspond for the correct TIN per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

If ...	and ...	Then ...
The TIN and Name Control (NC) match any of the CC INOLE information or CC DDBKD	The TIN was timely assigned, and the ITIN status (if needed) is active	Allow the dependent, adjust the account, and update CC DDBCK.
The TIN and NC don't match any of the CC INOLE information or CC DDBKD, use the IAT Name Search tool for the correct TIN and NC	The correct TIN and NC are found	Follow the instructions in the box above.
The TIN and NC don't match any of the CC INOLE information or CC DDBKD, use the IAT Name Search tool for the correct TIN and NC	The correct TIN and NC are not found	Correspond IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins. Exception: When working returns received from the ITIN department, see IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7).

If ...	and ...	Then ...
The taxpayer states they could not obtain a TIN because a child was born and died in the same tax year	The taxpayer provides any of the following documentation: <ul style="list-style-type: none"> • Birth certificate • Death certificate • Doctor/midwife statement on letterhead with business address and telephone number • Copies of hospital medical records 	Process as normal. Note: Don't update the DUPOL database.
The taxpayer states they could not obtain a TIN because a child was born and died in the same tax year	If the taxpayer has not provided the required documentation	Input a corrected adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, and correspond per IRM 3.11.6.10.11, Correspondence for Dependent Documentation (Letter 3050C).

- (7) If the taxpayer attempts to add a dependent that will be born in a future year or that died in a prior year, see IRM 3.11.6.16.5, Inputting a Corrected Adjustment. Use fill-in: **We didn't add your dependent as requested based on the dependent's date of birth or date of death.**
- (8) If the taxpayer is adding, replacing, changing, or deleting a dependent and you can't determine the correct dependent or it is unclear, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

Exception: In a situation in which the dependent(s) being added has a rejected ITIN and therefore won't have an SSN, see the instructions per IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7).

- (9) When adding, replacing, changing, or deleting dependents, see IRM 3.11.6.13.3, Updating the Duplicate Taxpayer Identification Number (TIN) OnLine (DUPOL) Database. For amended returns or claims in which the taxpayer is removing exemptions or dependents, remove any associated credits.
- (10) If the dependent previously had an ITIN and now has a valid SSN, follow IRM 3.11.6.13.1, Revoking a Dependent's ITIN.

3.11.6.13.1 (01-02-2024)

Revoking a Dependent's ITIN

- (1) If a dependent's TIN is being changed from an ITIN to SSN, the ITIN must be revoked. To revoke the ITIN, prepare Form 4442 and send it to the Austin ITIN Unit. Form 4442, Part III, Section B, must have the following statements:
- Revoke ITIN (*insert the ITIN of the dependent being revoked*).
 - New SSN is (*insert the dependent's new SSN*).
 - The dependent's name is (*insert the dependent's name*) and D.O.B. is (*MMDDYYYY*).
 - Reason: The dependent now has a valid SSN.
 - See reference: IRM 3.11.6.13
 - Request for dependent - Merge Not Needed
- (2) Update the DUPOL database.

3.11.6.13.2
(01-09-2023)

Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents

- (1) Send the case to AM if the taxpayer submits a copy of their divorce decree with, or without, Form 2120, Multiple Support Declaration, and doesn't submit Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent.
- (2) For tax years 2018-2025, due to Tax Cuts and Jobs Act, Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, is used for dependent credit documentation.
- (3) When a non-custodial parent claims a child as a dependent who didn't live with them under the rules for children of divorced or separated parents, the taxpayer indicates this by:
 - Attaching Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent
 - Entering an amount on Form 1040-X, page 2, Part I, line 26, Your dependent children who didn't live with you due to divorce or separation
 - Listing the child on Form 1040-X, page 2, Part 1, line 30, List ALL dependents (children or others) claimed on this amended return
 - Notating in Part III, Explanation of Changes, area of the Form 1040-X

Reminder: Review IRM 3.11.6.13, Personal Exemption or Dependent Changes.

- (4) The non-custodial parent must attach a Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (5) Update the DUPOL database.

3.11.6.13.3
(07-22-2024)

Updating the Duplicate Taxpayer Identification Number (TIN) OnLine (DUPOL) Database

- (1) The Duplicate TIN OnLine (DUPOL) database contains tax return information for the current and two prior tax processing years and provides duplicate SSN data for research purposes.
- (2) Submission Processing is responsible for updating the DUPOL database when editing (adding, replacing, changing, or deleting) records. Use CC DDBCK unless specifically instructed to use CC DUPED.
- (3) If instructed to use CC DUPED, update for current year only. If it is a prior year, don't update the DUPOL database, continue processing the return.
- (4) When adding a credit or dependent requiring TIN validation, always use CC INOLE or CC DDBKD to verify the TIN, NAME, and date of birth (DOB) prior to updating the DUPOL database.
- (5) When deleting a dependent, verify the taxpayer is removing credits associated with the dependent. The credits received on behalf of each dependent are listed on the CC DDBCK screen. The taxpayer should remove all Child Tax Credit (CTC), Additional Child Tax Credit (ACTC), Credit for Other Dependents (ODC), Education Credits, and Adoption Credit that were received based on the dependent. The taxpayer may qualify for the Earned Income Tax Credit (EITC) and Child and Dependent Care Credit in special circumstances. If the taxpayer didn't remove CTC, ACTC, ODC, and Education Credits, you must reverse the credit(s) and input a corrected adjustment following procedures in IRM 3.11.6.16.5, Inputting a Corrected Adjustment. If the taxpayer claimed Adoption Credit, send the case to AM.

- (6) When the taxpayer is changing to FS 3, follow IRM 3.11.6.12.1.2, Filing Status Changes.
- (7) Send the case to AM if the account has been merged or resequenced and an update to the DUPOL database is required.
- (8) Use the following chart for determining when/if to update the DUPOL database:

If ...	Then ...
<p>Taxpayer is adding or removing:</p> <ul style="list-style-type: none"> • An exemption for primary or secondary taxpayer Reminder: If the only change is a filing status (FS) change to FS 2, and no credits are being claimed for the spouse, don't update the DUPOL database. • A dependent • Earned Income Credit (for dependents), see IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. • EIC increase due to changes in income other than Form W-2, see IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. • Child and Dependent Care Credit • Education Credit • Child Tax Credit • Additional Child Tax Credit when the qualifying dependent is eligible for CTC, but can't be claimed on line 7 • Credit reduced to zero • EITC TIN-related Math Errors, see IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. • TIN related Math Errors • ITIN to SSN for dependents 	<p>Update using CC DDBCK then continue processing the return.</p>
<ul style="list-style-type: none"> • CP 08 responses • CP 27 responses • Amended return where the taxpayer is claiming EIC for self/spouse only, see IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. • Requesting filing status change which doesn't affect exemption or credit allowance • EITC increase due to Form W-2, see IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. • EITC NON-TIN related Math Errors, see IRM 21.5.3-3, Examination Criteria (CAT-A) - Credits. 	<p>Continue processing the return. Note: Don't update DUPOL database.</p>
<ul style="list-style-type: none"> • Math error code 653 is posted on IDRS • The child failed validation (other than an invalid TIN/ Name issue) 	<p>Send the case to AM.</p>

If ...	Then ...
<ul style="list-style-type: none"> • DDBCK input screen is full (6 dependents were previously claimed) • CP 09 responses • Child Care Credit and the qualifying dependent is over age of 12 but disabled or turns age 13 in the year being claimed • NON-TIN related Math Errors • Employee doesn't have access to CC DDBCK 	Update using CC DUPED (current year only). See IRM 3.11.6.13.5, Command Code DUPED.

3.11.6.13.4
(07-22-2024)

**Command Code DDBCK
(Dependent Database
Check)**

- (1) Command Code (CC) DDBCK (Dependent Database Check) is used to update the Duplicate TIN OnLine (DUPOL) database which is used for validating dependents and certain credits. CC DDBCK can be updated for the current tax year and two years prior. DDBCK checks:
 - If the TIN or Name Control doesn't match INOLE data
 - If child is deceased or doesn't meet the age criteria to qualify the taxpayer for a credit
 - If a DDB rule is broken
 - If DUPTIN database indicates a duplicate use of a TIN
- (2) When updating DDBCK, use the primary's TIN of the return. It displays the dependents and qualifying children from the original posted return or as last modified.
- (3) When updating dependent and/or credit information, CC DDBCK must be used prior to inputting an adjustment.
- (4) When working EITC TIN-Related Math Error responses, overlay the YYYYMMDD on the CC DDBCK Return Summary Screen, under Change Dates, with the received date of the Form 1040-X.
- (5) When required to update CC DDBCK, use the following chart.

If ...	and ...	Then Use ...
EITC is decreasing or isn't involved	<p>Dependent and/or spouse is being changed, added, deleted</p> <p>Reminder: If the only change is a filing status (FS) change to FS 2, and no credits are being claimed for the spouse, don't update the DUPOL database.</p> <p>or</p> <p>there's an increase to ACTC and/or AOTC</p> <p>Note: For 2018 - 2025 amended returns or claims in which the taxpayer is trying to change exemption(s), see IRM 3.11.6.13, Personal Exemption or Dependent Changes.</p>	<ol style="list-style-type: none"> 1. CATEGORY: EIC"N". 2. CLAIM AMOUNT: "0". 3. SCHED C: "N". 4. AGI INC/DEC: Skip. 5. EITC INC/DEC: Skip. 6. RefCR: Total of increases to ACTC and/or AOTC.
EITC is increasing and doesn't involve an EITC Math Error	Schedule C isn't attached, not changing, or is being removed	<ol style="list-style-type: none"> 1. CATEGORY: EIC"X". 2. CLAIM AMOUNT: The net refund/balance due of the MFT 30 adjustment (dollars only). 3. SCHED C: "N". 4. AGI INC/DEC: xMend, line 1b (use a leading minus sign for decreases). 5. EITC INC/DEC: xMend, line 14B. 6. RefCR: Total of increases to ACTC and/or AOTC.

If ...	and ...	Then Use ...
EITC is increasing and doesn't involve an EITC Math Error	<ul style="list-style-type: none"> Schedule C is changing; or Schedule C is being added; or Claiming additional income (except Schedule F, Schedule E, Schedule K-1 or minister income) that is subject to SE Tax <p>Example: Form 1040-X shows SE Tax due to non-employee compensation from a Form 1099-MISC. Typically this is other income reported on line 21 of the Form 1040. The Schedule C indicator would be "Y". The non-employee compensation income shown on the Form 1099-MISC would be the amount of the "Gross Receipts" and the "Net Profit" on the DDBCK Return Update Screen-Schedule C.</p>	<ol style="list-style-type: none"> CATEGORY: EIC"X" CLAIM AMOUNT: The net refund/balance due of the MFT 30 adjustment (dollars only). SCHED C: "Y". AGI INC/DEC: xMend, line 1b (use a leading minus sign for decreases). EITC INC/DEC: xMend, line 14B RefCR: Total of increases to ACTC and/or AOTC. GROSS RCPT: Sum of all Schedules C line 1. COST GOOD SOLD: Sum of all Schedules C line 4. HOME OFFICE EXPENSE: Sum of all Schedules C line 30. NET PROFIT: Sum of all Schedules C line 31 or Schedule C-EZ line 3. WAGES: Amount of W-2 wages being amended, if any (add leading minus sign for decreases).
<p>EITC is increasing and does involve an EITC TIN related Math Error</p> <p>Note: EITC TIN related math errors include ME 604 / 605 / 610/ 701 / 702 / 741 / 743 / 745 / 748.</p>	Schedule C isn't attached, not changing, or is being removed	<ol style="list-style-type: none"> CATEGORY: EIC"C" CLAIM AMOUNT: Net refund/balance due of the MFT 30 adjustment (dollars only). SCHED C: "N". AGI INC/DEC: 1040-X line 1B (add leading negative sign if the amount is decreasing). EITC INC/DEC: 1040-X line 14B. RefCR: Total of increases to ACTC and/or AOTC.

If ...	and ...	Then Use ...
<p>EITC is increasing and does involve an EITC TIN related Math Error</p> <p>Note: EITC TIN related math errors include ME 604 / 605 / 610/ 701 / 702 / 741 / 743 / 745 / 748.</p>	<ul style="list-style-type: none"> Schedule C is changing; or Schedule C is being added; or Claiming additional income (except Schedule F, Schedule E, Schedule K-1 or minister income) that is subject to SE Tax <p>Example: Form 1040-X shows SE Tax due to non-employee compensation from a Form 1099-MISC. Typically this is other income reported on line 21 of the Form 1040. The Schedule C indicator would be "Y". The non-employee compensation income shown on the Form 1099-MISC would be the amount of the "Gross Receipts" and the "Net Profit" on the DDBCK Return Update Screen-Schedule C.</p>	<ol style="list-style-type: none"> CATEGORY: EIC"C" CLAIM AMOUNT: The net refund/balance due of the MFT 30 adjustment (dollars only). SCHED C: "Y". AGI INC/DEC: xMend, line 1b (use a leading minus sign for decreases). EITC INC/DEC: xMend, line 13B RefCR: Total of increases to ACTC and/or AOTC. GROSS RCPT: Sum of all Schedules C line 1. COST GOOD SOLD: Sum of all Schedules C line 4. HOME OFFICE EXPENSE: Sum of all Schedules C line 30. NET PROFIT: Sum of all Schedules C line 31 or Schedule C-EZ line 3. WAGES: Amount of W-2 wages being amended, if any (add leading minus sign for decreases).

- (6) Take the following action when the DDBCK response displays the following literal:

If ...	Then ...
OK to input ADJ54, if eligibility met	Input the adjustment following the appropriate procedures.
OK to input ADJ54 if eligibility met, enter reason code 103	Send the case to AM. RC 103 indicates that taxpayer is part of the EITC certification program.
RECERT IND	Send the case to AM.
Date Older Than 18 Months	DDBCK won't allow an entry 18 months or later. Overlay the pre-populated date with the received date of the return.
Date Can't be a Future Date	If working a current processing year claim that is timely filed prior to April 15, use the current date for the input.
Date Earlier than Return	<p>If working a current processing year claim that is timely filed prior to April 15, use the TC 150 date.</p> <p>Note: If DDBCK won't accept the TC 150 date, use the current date for the input.</p>

- (7) If the response to either the initial DDBCK screen or validation results screen displays "Selected "or "Send As CAT-A", follow the table below:

If the DDBCK response is ...	Then ...
"SELECTED DDBCK REROUTE TO EITC"	<ol style="list-style-type: none"> Return to the "Active Case" page in CII. <ol style="list-style-type: none"> Capture the DDBCK response screen. Input a TC 971 AC 013 In the "Actions" section, select "send the case to EITC" from the drop-down list and click "GO". On the "send the case to EITC" page in the "TO:" field, choose EITC Selected for your Campus.
"SELECTED DDBCK REROUTE TO EITC XXXX"	<ol style="list-style-type: none"> Return to the "Active Case" page in CII. <ol style="list-style-type: none"> Capture the DDBCK response screen. Input a TC 971 AC 013 In the "Actions" section, select "send the case to EITC" from the drop-down list and click "GO". On the "send the case to EITC" page in the "TO:" field, choose EITC Selected for your Campus indicated in the response.
"SEND AS CAT A"	<ol style="list-style-type: none"> Return to the "Active case page" in CII. <ol style="list-style-type: none"> Capture the DDBCK response screen. Suspend to CAT-A.

- (8) On CC DDBCK "Selected" cases, a TC 424 is generated automatically in IDRS and places a -L freeze on the account. If DDBCK is updated in error, the input must be deleted to prevent an erroneous case from opening in Exam.
- (9) On "Follow IRM" cases, you must use the appropriate subsection of IRM 3.11.6 to process the amended return.
- (10) If the DDBCK validation passes, and the case isn't selected for Exam or CAT-A, DDBCK updates DUPTIN/DUPOL to reflect any changes that were entered. If the TIN or name control entered failed validation, DUPTIN won't be updated. Instead, the command code displays a prompt "PROCESS UPDATES (Y/N)?" and waits for the user to respond before continuing. If the validation error is caused by data entry error, the fields can be corrected. When corrections are made and retransmitted, DDBCK validates the input again from the beginning.

Note: If the DDBCK response states that the child failed validation (other than an invalid TIN/Name issue), refer to AM. See IRM 3.11.6.14.4, Earned Income Credit (EIC) - Line 14.

3.11.6.13.5
(01-02-2024)
Command Code DUPED

- (1) Command Code (CC) DUPED allows users to edit and correct information contained in the Duplicate TIN OnLine (DUPOL) database which is used for TIN validation. Only update the DUPOL database for a current tax year return after the name and TIN have been verified using CC INOLE.

- (2) When a dependent, Earned Income Tax Credit (EITC), or a credit requiring TIN validation for allowance is being changed, use CC DUPED to update the TIN database (DUPOL). If the amount of a "TIN related" credit is changed because of an income change and there's no change to the TIN, you would not use CC DUPED. See (3) for additional conditions.
- (3) Don't update CC DUPED if the only reason for the update is:
 - a. Claiming EITC for self or spouse only
 - b. A filing status change, which doesn't affect dependents/credit allowance

Reminder: If the only change is a filing status (FS) change to FS 2, and no credits are being claimed for the spouse, don't update DUPOL database.
- (4) If the taxpayer doesn't provide the TIN of the dependent being removed, research RTVUE. If found, update the DUPOL database.
- (5) The display screen allows users to find the exact record they want to modify. A record number is shown for each record that can be edited. CC DUPED procedures apply only to the current tax year return.
- (6) The TIN SOURCE CD field on the edit screen has been expanded to three positions to allow adding and changing of multiple records. To change multiple records for the same TIN from a single return, bring up the change screen for the record. You can then enter two additional TIN SOURCE codes and all three will be changed at the same time.
- (7) CC DUPED doesn't replace master file account action and should be updated in addition to any MF adjustment required.
- (8) Don't disclose DUPED data. Taxpayers are not entitled to know who has claimed them, their dependents, or EITC.
- (9) If the taxpayer clearly indicates who'll be claiming the dependent, don't update the other account based on this information.

3.11.6.13.5.1 (01-02-2024)

Add a Record

- (1) Add a Record is used when adding a dependent, spouse (secondary TIN) or to add a new Form 2441 credit, Form 8863 and/or *Schedule EIC*.

Note: For 2018 - 2025 amended returns or claims in which the taxpayer is trying to change exemption(s), see IRM 3.11.6.13, Personal Exemption or Dependent Changes.

- (2) To add the record, Enter "A" in the "REQUEST TYPE" field.
- (3) When the edit screen is displayed, enter the record information on the edit screen and then transmit.
 - 1. Name Control - Enter the name control of the dependent being added.
 - 2. Primary SSN on return - Enter the Primary TIN from Form 1040-X.
 - 3. Service Center CD - Enter the two-digit File Location Code from the TC 150 DLN for the processing center where the taxpayer originally filed. The Edit Screen provides Processing Codes for ELF (Electronic Filing System). Use ELF codes only if appropriate. (Refer to *Doc 6209 FLCs* for a list of valid File Location Codes).

4. Filing Status - Enter the "Amended return filing status" from Form 1040-X.
5. Dependent Status Ind - Enter "0" to indicate the dependent can't be claimed on another return.
 - "0" - Indicates the dependent can't be claimed on another return
 - "1" - Used only when the dependent is claimed on another return
6. TIN Source CD - Enter how the TIN is being applied during this action. This is a required entry.
 - "P" = Primary
 - "S" = Secondary
 - "D" = Dependent
 - "B" = Form 2441, Child and Dependent Care Expenses
 - "C" = Form 8863, Education Credit
 - "E" = EITC, Earned Income Tax Credit

- (4) When the information is transmitted, the DUPED response screen is displayed to show the updated information.

Note: Continue to process the return if the message "DUPLICATE USE OF SSN" is displayed after transmitting. This is an indication the added dependent is already being claimed by a different taxpayer, but a soft notice addressing the issue is generated automatically.

3.11.6.13.5.2 (03-13-2024)

Change a Record

- (1) Change a Record is used to update the dependent status indicator if a primary taxpayer is adding or removing their own exemption.

Reminder: Personal exemptions are not allowed for TY 2018 - 2025.

Note: For 2018 - 2025 amended returns or claims in which the taxpayer is trying to change exemption(s), see IRM 3.11.6.13, Personal Exemption or Dependent Changes.

- (2) To change a record, use CC DUPED, without a definer, and the TIN of the person being claimed to display all the records for that TIN.

Exception: Don't update the DUPOL database on invalid primary or secondary TINs. Send the case to AM.

- (3) Enter a "C" in the request type field and the record number in the record number field and then transmit. This is equivalent to entering a CC DUPED with the definer "C" and the record number in line "1" of the command code.
- (4) When the edit screen is displayed, enter the appropriate corrected information and then transmit.
 1. Name Control (N/C) - Enter the name control of the dependent/exemption being changed.
 2. Filing Status - If the filing status is changing, enter the appropriate code.
 3. Dependent Status Ind - Enter "1" to indicate the exemption is claimed on another return or enter a "0" to indicate the primary taxpayer is claiming a personal exemption.

- (5) If you delete a record, the response is shown with a dash under REC NUM and the Julian date in the REV DATE column. If we “Change a record”, the response shows a Record Number (REC NUM) and under column “DEP STAT IND” shows the change.

Note: Multiple taxpayers may have claimed the same exemption or credit. Only change the records that relate to the account you’re working.

3.11.6.13.5.3
(11-21-2019)

Delete a Record

- (1) Delete a Record is used when any of the following are removed or when a credit is reduced to zero:
- Dependents
 - *Schedule EIC*, Earned Income Credit
 - Form 2441, Child and Dependent Care Expenses
 - Form 8863, Education Credits
- (2) When deleting a record, use command code DUPED with the TIN of the dependent for which the action is being taken.
- (3) Delete records that you created in error.
- (4) Enter a “D” in the “REQUEST TYPE” and the appropriate record number in the “RECORD NUMBER” field and then transmit. This is equivalent to entering a DUPED with the definer “D” and the record number in line “1” of the command code.
- (5) The edit screen is displayed along with a delete confirmation message. Enter “Y” to delete the record, and then transmit. When the information is transmitted the display screen shows with the corrected information.

3.11.6.14
(07-22-2024)

**Specific IMF
Adjustments**

- (1) The following subsections contain procedures for processing the Form 1040-X:
- a. Income and Deductions
 - Line 1, Adjusted Gross Income
 - Line 2, Itemized or Standard Deductions
 - Line 4a, Reserved for future use
 - Line 4b, Qualified Business Income Deduction
 - Line 5, Taxable Income
 - b. Tax Liability
 - Line 6, Tax (may include ACA)
 - Line 7, Credits (non-refundable)
 - Line 9, Reserved for future use
 - Line 10, Other Taxes (Form 5329/1099R and Self-Employment (SE) Tax)
 - Line 11, Total Tax
 - c. Payments
 - Line 12, Federal Income Tax Withheld and Excess Social Security and Tier 1 RRTA Tax Withheld
 - Line 13, Estimated Tax Payments
 - Line 14, Earned Income Credit (EIC)
 - Line 15, Refundable Credits
 - d. Refund or amount You Owe
 - Line 23, Credit Elect

- (2) All credits require that the primary taxpayer, secondary taxpayer, and the qualifying child(ren) have a valid Taxpayer Identification Number (TIN). See IRM 3.11.6.4.4.2, TIN Requirements for Dependents and Credits.

Note: An Internal Revenue Service Number (IRSN) isn't a valid TIN for credit allowance. An IRSN can be identified as beginning with a "9" with the 4th and 5th digits being a campus code.

- (3) If the credit requires a qualifying child, use CC INOLE to verify the name control, TIN, date of birth, and date of death of the qualifying child. If the Child and Dependent Care Credit, Child Tax Credit (CTC), Credit for Other Dependents (ODC), Earned Income Tax Credit (EITC), Adoption Credit and/or Education Credit is being claimed for a TIN for which our records indicate a date of death prior to the tax year, send the case to AM.
- (4) The American Opportunity Tax Credit (AOTC), Additional Child Tax Credit (ACTC), CTC, ODC, and the EITC have specific TIN requirements. See each individual subsection and IRM 3.11.6.4.4.2, TIN requirements for Exemptions and Credits.
- (5) When inputting an adjustment and there are more Item Reference Numbers (IRN) or Credit Reference Numbers (CRN) than fields available, input the adjustment as follows:

Note: If xMend is used, allow xMend to input the two adjustments.

Input changes from lines 11 - 15.

1. Appropriate Sequence Number (SEQN)
2. Appropriate Blocking Series (BS)
3. Case Status Code
4. Received Date (RCVDDT)
5. Control Category
6. Activity
7. Return Process Date (RPD), if needed.
8. Override Code (OC), if needed
9. Refund Statue Control Date (RFSCDT), if needed
10. Change to line 11, TC 29X
11. Change to Estimated Tax Penalty, TC 17X, if needed
12. Appropriate Source Code (SC)
13. Appropriate Reason Code (RC)
14. Hold Codes (HC), if needed
15. Priority Codes (PC), if needed
16. Posting Delay Code (PDC), if needed.
17. Amended Claims Date
18. Changes to lines 12 -15
19. Direct Deposit IRN per IRM 3.11.6.14.6.1, Direct Deposit
20. CII Indicator (CIS IND)"1",
21. Source Document Indicator (SD)"N"
22. Appropriate Remarks

2nd Adjustment:

1. Appropriate Sequence Number (SEQN)
2. Appropriate Blocking Series (BS)

3. Case Status Code
4. Received Date (RCVDDT)
5. Control Category
6. Activity
7. Return Process Date (RPD), if needed.
8. Override Code (OC), if needed
9. Refund Statue Control Date (RFSCDT), if needed
10. TC 290 for .00
11. Appropriate Source Code (SC)
12. Reason Code (RC) 099
13. Hold Code (HC), if needed
14. Priority Code (PC, if needed)
15. Posting Delay Code 1 cycle longer that the first adjustment
16. Amended Claims Date
17. Changes to lines 1 -10
18. CII Indicator (CIS IND) "1",
19. Source Document Indicator (SD)"N"
20. Appropriate Remarks

Note: If there's a change to the name line information or taxpayer's address the first adjustment requires a posting delay code. The second adjustment requires a posting delay code one greater than the first adjustment.

3.11.6.14.1
(01-03-2023)

**Income and Deductions
Line 1 through Line 5**

- (1) Income and adjustments to income and deductions to income are covered in this subsection.
- (2) Income and adjustments to income are reported on Form 1040 or Schedule 1, Additional Income and Adjustments to Income.

3.11.6.14.1.1
(07-22-2024)

**Adjusted Gross Income
(AGI) - (Line 1)**

- (1) Any adjustments to income or deductions to income are reported on line 1 of Form 1040-X, Amended U.S. Individual Income Tax Return.
- (2) If there's indication that a taxpayer received wages from ministerial duties, is a minister, or Form 4361, Application for Exemption From Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners, is attached, then send the case to AM.
- (3) If the taxpayer indicates they made a Qualified Charitable Distribution, "QCD", refer the case to your lead. The lead must screen the case through the Interactive Tax Law Assistant, ITLA, on SERP.
- (4) Use Item Reference Number (IRN) 888 for any positive or negative change to AGI.

Note: The AGI can be a negative number or be reduced below zero.

3.11.6.14.1.1.1
(09-04-2024)

Earned Income

- (1) Earned income includes all employee compensation subject to income tax, net earnings from self-employment (SE), and gross income received by a statutory employee.
- (2) Taxable earned income includes:
 - Wages
 - Salaries

- Tips
- Strike pay, other than bona fide gifts
- Sick pay
- Union strike benefits
- Net earnings from self-employment (SE) or gross income received by a statutory employee.
- Disability benefits (not disability Social Security) received by taxpayers under minimum retirement age (normally, this is reported on the Form 1040 as wages).

Note: Minimum retirement age may vary.

- (3) An amount paid to an inmate in a penal institution, for work, isn't considered earned income for EITC purposes. Refer to IRM 3.11.6.16.17, Prisoner Returns.
- (4) For EITC purposes, use SE income as reported on Schedule SE, minus the deductible part of SE tax or use EIC Worksheet B in Publication 596, Earned Income Credit.
- (5) If Schedule SE isn't present because the net earnings from self-employment or F.
- (6) If Schedule SE isn't present and there's a change to income that appears to be from self-employment earnings, screen the case for CAT-A criteria.
- (7) If SE income is a loss, subtract the amount from other earned income.
- (8) If the optional method is used, use the optional amount as income; don't subtract the SE loss.
- (9) If the taxpayer is a statutory employee (indicated on Form W-2, box 13), use Schedule C or C-EZ, line 1, as earned income.

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- Note:** If taxpayer receives wages from ministerial duties, some of the income reported on Form 1040, line 7, may also be shown on Schedule SE, line 2. Send the case to AM.
- (10) Native American Tribe Members who report Form 1099-MISC tribal related income on a Form 1040-X are not subject to SE Tax, nor is the amount considered as earned income for EIC purposes. The literals are:
 - a. Indian gaming/Indian Gaming Proceeds/IGP
 - b. Indian tribal distribution, income, fund, or earnings
 - c. Native American
 - d. IGE
 - e. ITI
 - f. Alaska Permanent Fund/APF
 - g. Alaska Permanent Fund DIV/APFD
 - (11) Earned Income includes:
 - Form W-2 or similar statement
 - Form 1099-MISC, Miscellaneous Information

Note: Not all income reported on a 1099-MISC is considered earned income.

- Form 1099R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., with Distribution Code 3 and/or Disability
- Form 1099-NEC, Nonemployee Compensation
- Form 4137, Social Security and Medicare Tax on Unreported Tip Income
- Form 8919, Uncollected Social Security and Medicare Tax on Wages
- Schedule C, Profit or Loss From Business (Sole Proprietorship)
- Schedule E, Supplemental Income and Loss, Part II (line 29a Column k and line 29b Column i) and Part III (line 34a, Column f)
- Schedule F, Profit or Loss From Farming
- Schedule SE, Self-Employment Tax
- Notation of HSH, Household Employee Income, Household Help
- Notation to the left of Schedule 1, line 8, Other Income, indicating self-employment
- Notation of prior year earned income (PYEI)

(12) Income that isn't Earned Income:

- Welfare payments and benefits
- Pensions
- Taxable scholarships or fellowship grants not reported on Form W-2
- Workers' compensation benefits
- Alimony and child support
- Interest and dividends
- Non-disability pensions and annuities (e.g., Form 1099R showing income other than Distribution Code 3)
- Nontaxable foster care payments
- Social Security and railroad retirement benefits (including disability benefits)
- Unemployment compensation (insurance)
- Veterans' benefits (including VA rehabilitation benefits)
- Workfare payments
- Conservation Reserve Program (CRP) payments
- Nontaxable military pay
- Form 1099 C - Cancellation of debt

Exception: Taxpayers can elect to include nontaxable combat pay and Medicaid waiver payments in earned income for the earned income credit.

- (13) Earned income generally doesn't include workfare payments to the extent subsidized under a state program for work experience (including work associated with the refurbishing of publicly assisted housing if sufficient private sector employment isn't available), work in community service programs, or certain Medicaid waiver payments (see IRM 21.6.6.2.35, Qualified Medicaid Waiver Payments/Difficulty of Care Payments, for more information). However, the taxpayer may include certain Medicaid waiver payments in earned income if they benefit from the exclusion (even if this payment is excluded on Schedule 1).*

*Reference - Feigh v Comm, 152 TC No. 15 (2019)

3.11.6.14.1.1.2
(02-06-2024)
**Form 8606,
Nondeductible IRAs
(Line 1)**

- (1) Nondeductible IRA contributions are those contributions made to a traditional IRA which are within the contribution limit but don't qualify as deductible.
- (2) If there's an amount on line 15b or 25b of Form 8606, Nondeductible IRAs, send the case to AM.
- (3) Form 8606, Nondeductible IRAs, must be attached if taxpayer is reporting or has indicated a change to a Nondeductible IRA Contribution in the explanation part of the Form 1040-X. If Form 8606 isn't attached, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (4) Process using RC 016.

3.11.6.14.1.1.3
(08-14-2024)
**Unemployment
Compensation Exclusion
(UCE) - Tax Year 2020
Only (Line 1)**

- (1) Taxpayers that received Unemployment Compensation (UC) in tax year 2020 may be able to claim an Unemployment Compensation Exclusion (UCE) of up to \$10,200 (\$20,400 if FS 2).

If Filing as ...	And ...	Then ...
FS 1		The taxpayer may be able to exclude up to \$10,200.
FS 2	The taxpayers live in a community property state (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin)	Send the case to AM, if there's a change to UCE.
FS 2	The taxpayers don't live in a community property state	Each taxpayer may be able to exclude up to \$10,200 and the total UCE amount can't exceed \$20,400.
FS 3	The taxpayer lives in a community property state (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin)	Send the case to AM, if there's a change to UCE.
FS 3	The taxpayer doesn't live in a community property state	The taxpayer may be able to exclude up to \$10,200.
FS 4		The taxpayer may be able to exclude up to \$10,200.

- (2) See IRM 21.6.6.2.48, Unemployment Compensation Exclusion due to American Rescue Plan Act (ARPA) of 2021, for qualifications, MAGI calculation, and systemic recovery information. For additional information, see *IRS Statement - American Rescue Plan Act of 2021 Internal Revenue Service*.

Note: If instructed to forward to the AM HQ Analyst take the following action:

1. Give the case to your lead.
2. The lead must follow normal procedures to refer the case to HQ and suspend the case for 30-days to allow time for the UCE issue to be addressed.
3. At the end of the suspense period process the case as normal. If the UCE issue hasn't been addressed, follow the instructions in the previous step.

(3) Follow IRM 21.6.6.2.48.1, Account Adjustments for the UCE, when adjusting the UCE.

(4) Process using reason code 020.

3.11.6.14.1.1.4
(12-01-2022)

**Notice 2014-7, Qualified
Medicaid Waiver
Payments and Difficulty
of Care Payments**

(1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.

(2) See IRM 21.6.6.2.35, Qualified Medicaid Waiver Payments/Difficulty of Care Payments, for eligibility and processing instructions.

(3) If the required information to substantiate the claim is missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

(4) Process using the following reason code(s):

- If the income related to the 2014-7 exclusion is being added based on Form W-2, use reason code (RC) 007.
- If the income related to the 2014-7 exclusion is being added based on Form 1099-MISC, use RC 021.
- If the income is being excluded under 2014-7, use RC 021.

3.11.6.14.1.1.5
(07-22-2024)

**Employer Provided
Education Assistance
(IRC 127) - (Line 1)**

(1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.

(2) IRC 127 allows employees to exclude from the employee's taxable income educational expenses paid or incurred by the employer for the employee. The maximum annual exclusion is \$5,250.

If ...	And ...	Then ...
An amended return is filed claiming an exclusion of \$5,250 or less	Form W-2, or Form W-2C, is attached and reflecting the change	Adjust the account and use Reason Code 007 and Source Code 1.
An amended return is filed claiming an exclusion of \$5,250 or less	Form W-2, or Form W-2C is missing or doesn't reflect the exclusion	Correspond, per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
An amended return is filed claiming an exclusion of more than \$5,250	Employer provided assistance is the only issue	Input the adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, for the exceeded amount. Use fill-in: If your employer pays more than \$5,250 for educational benefits for you during the year, you must generally pay tax on the amount over \$5,250. Your employer should include in wages the amount that you must include in income.
An amended return is filed claiming an exclusion of more than \$5,250	Employer provided assistance and other issues are involved	Input the adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, for the exceeded amount. Use fill-in: If your employer pays more than \$5,250 for educational benefits for you during the year, you must generally pay tax on the amount over \$5,250. Your employer should include in wages the amount that you must include in income.

3.11.6.14.1.1.6
(01-09-2023)

Military Family Relief Act (MFRA) (Line 1)

- (1) On November 11, 2003, President Bush signed into law the Military Family Tax Relief Act of 2003. Taxpayers have been instructed to write "Military Family Tax Relief Act" in red in the top margin to identify the cases. Send all returns identified as "Military Family Tax Relief Act" to AM.

3.11.6.14.1.1.7
(01-03-2023)

Form 8917, Tuition and Fees Deduction - Tax Year 2020 and Prior (Line 1)

- (1) Taxpayers who paid tuition and fees expenses to an accredited post-secondary educational institution (college, university or vocational school) for an eligible student may be eligible to deduct up to \$4,000. The availability of this deduction terminated on December 31, 2020.
- (2) Taxpayers can claim Tuition and Fees deduction if they meet the following conditions:
- They paid qualified tuition and fees for themselves, their spouse or dependent(s).
 - Their filing status isn't married filing separately (FS 3 or 6).

- The student must be claimed as a dependent on the primary taxpayer's tax return.
- They are not claiming Education Credits for the same student.
- No deduction is allowed unless the taxpayer provides the name and TIN of the individual for whom the tuition and fees were paid on the tax return
- No deduction is allowed for the portion of the year that the taxpayer was a nonresident alien.
- In general, except as otherwise provided by the Secretary, no deduction shall be allowed unless the taxpayer receives a statement as provided under section 6050S(d) which contains all of the information required by paragraph 2 thereof.

(3) Taxpayers can receive up to:

- \$4,000 of deductions if their modified adjusted gross income (MAGI) is \$65,000, or less if filing Single or Head of Household or Qualified Surviving Spouse; \$130,000 or less if filing Married Filing Jointly.
- \$2,000 of deductions if their MAGI is between \$65,001 and \$80,000 for filing Single or Head of Household or Qualified Surviving Spouse; between \$130,001 and \$160,000 if filing Married Filing Jointly.

Note: When the MAGI exceeds the upper limit for all filing statuses the deduction is zero (0).

- (4) If the taxpayer claims both the Education Credit and the Tuition and Fees Deduction and the Form 8917, Tuition and Fees Deduction, indicates that the credits were for the same student, disallow Tuition and Fees deduction. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: **We disallowed your claim on Form 8917, Tuition and Fees Deduction. You may not claim the deduction for Form 8917 and Form 8863, Education Credits, for the same student.**
- (5) Disallow a deduction for a student if the taxpayer or anyone else has claimed the American Opportunity Credit for that student. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: **We disallowed your claim on Form 8917, Tuition and Fees Deduction. You may not claim the deduction for Form 8917 and Form 8863, Education Credits, for the same student.**
- Note:** Taxpayers may add Form 8863, Education Credits, and remove Form 8917, Tuition and Fees Deduction, see IRM 3.11.6.14.2.2.3, Form 8863, Education Credits.
- (6) Form 8917 must be attached if taxpayer is claiming the Tuition and Fees Deduction. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (7) If Form 1098-T is being used to support the Tuition and Fees deductions on line 1 of Form 1040-X, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (8) Since Form 8917 is based on qualified education expenses paid to an eligible post-secondary educational institution, when the age of the student is such that

the deduction becomes questionable or there are other circumstances that are questionable and the Form 1098-T isn't present on IRPTR, "no consider" the claim and request a copy of the Form 1098-T, Tuition Statement. Send Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP). Use fill-in: **We didn't receive a Form 1098-T, Tuition Statement, from your education institution for the student to support your claim on Form 8917, Tuition and Fees Deduction. This form is used to verify enrollment and qualified educational expenses. Please contact the educational institution and ask them to issue Form 1098-T to the IRS to verify the enrollment status and qualified expense information.**

Note: It isn't required to research IRPTR on all claims, the return should be questionable prior to research.

- (9) If the taxpayer removes their exemption and doesn't remove the Tuition and Fees deductions, then remove the deduction and send Letter 474C per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
- (10) If present, process using RC 030.

3.11.6.14.1.1.8
(01-02-2025)
**Student Loan Interest
Deduction (Line 1)**

- (1) Student loan interest is interest paid during the year on a qualified student loan. It includes both required and voluntary payments. Taxpayers are provided Form 1098-E which lists the interest paid on the student loan.
- (2) The maximum allowable deduction is \$2,500.00.
 - For tax year (TY) 2020 and later, the maximum allowable deduction must be further reduced, but not below zero, by any amount for which an exclusion is allowable under IRC 127 by reason of the taxpayer's employer making a payment on the taxpayer's qualified education loan.
 - For TY 19 and later, the maximum allowable deduction must be reduced, but not below zero, by any amount paid from the distribution of earnings from a qualified tuition plan to the extent the earnings are treated as tax-free because the earnings were used to pay student loan interest.

Note: The deduction isn't allowable for FS3, Married Filing Separately.

- (3) The maximum allowable deduction also begins to phase out if Modified Adjusted Gross Income (MAGI) is greater than:

Tax Year	Single, Head of Household and Qualifying Surviving Spouse	Married Filing Joint
2024	\$80,000	\$165,000
2023	\$75,000	\$155,000
2022	\$70,000	\$145,000
2021	\$70,000	\$140,000
2020	\$70,000	\$140,000

- (4) The \$2,500.00 amount is eliminated if the Modified Adjusted Gross Income (MAGI) is:

Tax year	Single, Head of Household and Qualifying Surviving Spouse	Married Filing Joint
2024	\$95,000 or more	\$195,000 or more
2023	\$90,000 or more	\$185,000 or more
2022	\$85,000 or more	\$175,000 or more
2021	\$85,000 or more	\$170,000 or more
2020	\$85,000 or more	\$170,000 or more

- (5) For processable claims, use RC 030.

3.11.6.14.1.1.9
(01-03-2023)
Form 3903, Moving Expenses (Line 1)

- (1) Form 3903, Moving Expenses, is used only by Members of the Armed Forces.
- (2) Form 3903 is required if the taxpayer is deducting/changing moving expenses, correspond if missing. See IRM 3.11.6.10, Correspondence Procedures.

Note: Correspondence isn't required if the taxpayer is amending a previously filed Form 3903 and the nature of the change is explained on the Form 1040-X.

- (3) Process using RC 030.

3.11.6.14.1.1.10
(01-02-2024)
Form 2106, Employee Business Expenses (Line 1)

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Only taxpayers who are Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, or employees with impairment-related work expenses may file Form 2106, Employee Business Expenses. Form 2106 is claimed on Form 1040, *Schedule 1*, Additional Income and Adjustments to Income.
- (3) If taxpayers who are not those listed in (2) report employee business expenses on Form 2106, send Letter 105C/Letter 106C per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use the fill-in: **We disallowed your claim for Form 2106, Employee Business Expenses, because these expenses aren't allowed for tax years 2018 and subsequent.**

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missing Form 2106 per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (5) If there's a notation of **Forced Pay Reduction**, follow IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use fill-in: **We disallowed your claim citing "Forced Pay Reduction" because it didn't include supporting documentation.**

3.11.6.14.1.1.11
(04-08-2024)

**Refund of State Taxes
Paid - Tax Year 2022
Only**

- (1) Taxpayers residing in certain states are not required to report their state refunds as taxable income. Payments from the following states in 2022 fall in this category and are excluded from income for federal tax purposes unless the recipient received a tax benefit in the year the taxes were deducted.

Caution: The taxpayer that received the payment may have moved, so the address on the amended return might not reflect the state that issued the payment.

- Georgia
- Massachusetts
- South Carolina
- Virginia

- (2) If the payment is a refund of state taxes paid and either the recipient claimed the standard deduction or itemized their deductions but didn't receive a tax benefit (for example, because the \$10,000 tax deduction limit applied) the payment isn't included in income for federal tax purposes.

3.11.6.14.1.1.12
(04-08-2024)

**General Welfare and
Disaster Relief
Payments - Tax Year
2022 Only**

- (1) Taxpayers from certain states listed in the *State Payments table on irs.gov* are not required to report their payments received for the promotion of the general welfare or as a disaster relief payment. Some taxpayers may have reported these payments as taxable income and are now filing an amended return to remove the nontaxable portion of the payment. Review the state's website by using the link found in the *State Payments table on irs.gov* to determine the nontaxable amount and follow the table below.

Caution: The taxpayer that received the payment may have moved, so the address on the amended return might not reflect the state that issued the payment.

If ...	And ...	Then ...
The taxpayer is removing the state payment	The amount being removed exceeds the nontaxable amount	Recompute the change to based on the appropriate nontaxable amount and follow IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
The taxpayer is removing the state payment	The amount being removed is the nontaxable amount	Continue processing.

- (2) Some taxpayers that received a general welfare or disaster relief payment received an AUR soft notice, CP 2057 , Check Your Records to Confirm the Income You Received. The soft notice instructed the taxpayer to file an amended return. If a taxpayer files an amended return in response to the soft notice to add the state payment, review the state's website by using the link found in the *State Payments table on irs.gov* to determine the nontaxable amount and follow the table below.

If ...	And ...	Then ...
The taxpayer is adding the state payment	Included the nontaxable amount as income	Recompute the change to exclude the nontaxable amount and follow IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
The taxpayer is adding the state payment	Included the taxable amount	Continue processing.
The taxpayer is adding the state payment	Included the nontaxable and taxable amount as income	Recompute the change to exclude the nontaxable amount and follow IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

3.11.6.14.1.1.13
(07-11-2024)

East Palestine Train Derailment (EPTDR) Claims

- (1) Send all East Palestine Train Derailment (EPTDR) Claims to AM. If the taxpayer files an amended return:
 - Electronically, there should be a .pdf attachment with the filename "EPTDR-East Palestine Train Derailment Relief." The attachment should state "East Palestine Train Derailment Relief." Individuals may also state, "East Palestine Train Derailment Relief," at the beginning of Part III, Explanation of Changes.
 - On paper, "East Palestine Train Derailment Relief," should be written at the top of amended return, as well as at the beginning of Part II, Explanation of Changes.

3.11.6.14.1.2
(09-25-2020)

Standard and Itemized Deductions (Line 2)

- (1) Taxpayers elect to take either the standard deduction or they can itemize their deductions to reduce their taxable income. Itemized deductions are submitted on a Form 1040, *Schedule A*.

3.11.6.14.1.2.1
(01-02-2025)

Standard Deduction

- (1) The amount of standard deduction depends on the year of the return and the taxpayer's filing status.
- (2) A taxpayer or spouse who is age 65 or older or blind is entitled to a higher standard deduction. The taxpayer checks a box on the Form 1040 to indicate the reason for the additional standard deduction(s). Refer to the table below to determine the correct standard deduction amount.

FILING STATUS	2024 Standard Deduction	2023 Standard Deduction	2022 Standard Deduction	2021 Standard Deduction	2020 Standard Deduction
Single (1)	\$14,600	\$13,850	\$12,950	\$12,550	\$12,400
MFJ (2)	\$29,200	\$27,700	\$25,900	\$25,100	\$24,800
MFS (3)	\$14,600	\$13,850	\$12,950	\$12,550	\$12,400
HoH (4)	\$21,900	\$20,800	\$19,400	\$18,800	\$18,650
QSS (5)	\$29,200	\$27,700	\$25,900	\$25,100	\$24,800

- (3) If the taxpayer can be claimed as a dependent on another taxpayer's return, then the taxpayer's standard deduction allowed is the greater of the following amounts up to the amount of the regular standard deduction:

Tax year ...	Greater of ...
2024	\$1,300 or \$450 + earned income
2023	\$1,250 or \$400 + earned income
2022	\$1,150 or \$400 + earned income
2021	\$1,100 or \$350 + earned income
2020	\$1,100 or \$350 + earned income

Note: A taxpayer and/or spouse who is age 65 or older and/or blind is entitled to a higher standard deduction

- (4) A taxpayer and/or spouse who is age 65 or older and/or blind is entitled to a higher standard deduction.

If Tax Year ...	And ...	Then ...
2024	The FS is 2, 3, or 5	The additional deduction amount is \$1,550 per box checked.
2024	The FS is 1 or 4	The additional deduction amount is \$1,950 per box checked.
2023	The FS is 2, 3, or 5	The additional deduction amount is \$1,500 per box checked.
2023	The FS is 1 or 4	The additional deduction amount is \$1,850 per box checked.
2022	The FS is 2, 3, or 5	The additional deduction amount is \$1,400 per box checked.
2022	The FS is 1 or 4	The additional deduction amount is \$1,750 per box checked.
2021	The FS is 2, 3, or 5	The additional deduction amount is \$1,350 per box checked.
2021	The FS is 1 or 4	The additional deduction amount is \$1,700 per box checked.
2020	The FS is 2, 3, or 5	The additional deduction amount is \$1,300 per box checked.
2020	The FS is 1 or 4	The additional deduction amount is \$1,650 per box checked.

- (5) Use reason code 092 when:

- There are changes to standard deduction
- The taxpayer changes from itemized deductions to standard deduction

3.11.6.14.1.2.1.1
(01-03-2023)

**Non-itemized Charitable
Contribution - Tax Years
2020 and 2021 Only**

- (1) In tax years 2020 and 2021, taxpayers claiming the standard deduction may also claim a non-itemized charitable contribution.
 - For tax year 2021, the non-itemized charitable contribution is claimed on line 12b of Form 1040 or Form 1040-SR. The deduction is limited to \$300.00 (\$600.00 for joint filers). Use reason code 092.
 - For tax year 2020, the non-itemized charitable contribution is claimed on line 10b of the Form 1040 or Form 1040-SR. The deduction is limited to \$300.00. Use reason code 030.

3.11.6.14.1.2.2
(01-02-2024)

**Itemized Deductions
(Line 2)**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Send the case to AM if the taxpayer claims Itemized Deduction expenses less than the Standard Deduction.

Note: This is more common for taxpayers with filing status 3, Married Filing Separate.

- (3) *Schedule A* is required when the taxpayer is changing from a standard deduction to itemized deduction or is increasing deductions on an existing *Schedule A* and does not explain the type of deduction and the change is not the result of a ripple effect. Correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins, if missing.

Note: The *Sales Tax Deduction Calculator* can be used to determine unexplained *Schedule A* changes.

- (4) For tax year 2018 through 2025, taxpayers may deduct:

- Medical and Dental Expenses
- Taxes You Paid
- Interest You Paid

Note: Taxpayers may claim seller paid points when purchasing a principal residence. Appraisal, inspection, title, and attorney fees are not deductible. Property taxes paid are not deductible as points even if designated as points. Reject the claim and set the math error per IRM 3.11.6.16.5, Inputting a Corrected Adjustment, if proof of the claim isn't provided. For the fill-in use:
Please submit Form HUD-1, Settlement Statement, or other settlement statements to support the changes you've made on your Form 1040-X, Amended U.S. Individual Income Tax Return. Form HUD-1 or other settlement statement must explicitly mention Loan Origination Fees.

- Gifts to Charity
- Casualty and Theft Losses

Note: Form 4684, Casualties and Thefts, is required to claim certain disaster losses. See IRM 3.11.6.7.7, Disaster Claim Screening, for correspondence procedures.

- Other Itemized / Miscellaneous Deductions

Note: Gambling losses can only be deducted against gambling winnings. The losses can only reduce the winnings lower or to zero, but never below zero as an outright loss. If the losses claimed exceed winnings, see IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

- Total Itemized Deductions

Note: The above list isn't all-inclusive of the changes to *Schedule A*, Itemized Deductions.

- (5) For tax years 2018 and subsequent, there's no overall limitation on most itemized deductions.
- (6) If the taxpayer is claiming Form 2106, Employee Business Expenses, see IRM 3.11.6.14.1.1.10, Form 2106, Employee Business Expenses (Line 1).
- (7) Use Reason Code 076 when:
 - There are changes to itemized deductions
 - Taxpayer changes from a standard deduction to itemized deductions (Schedule A)
 - Taxpayer elects to deduct Foreign income tax as an itemized deduction on Schedule A, line 6.

3.11.6.14.1.3
(01-03-2023)
Line 4a

- (1) This line isn't currently used on the Form 1040-X .

3.11.6.14.1.4
(01-09-2023)
**Qualified Business
Income Deduction (Line
4b)**

- (1) The Qualified Business Income Deduction (QPID) is for tax year 2018 and subsequent.
- (2) Screen the case for CAT-A criteria. See IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (3) Send the case to AM if:
 - Form 1040-X line 4b is changing
 - Form 8995, Qualified Business Income Deduction Simplified Computation, is attached and Form 1040-X line 4b is changing
 - Form 8995-A, Qualified Business Income Deduction, is attached and line 4b is changing

3.11.6.14.1.5
(09-25-2020)
Taxable Income (Line 5)

- (1) Taxpayers use line 5, Taxable Income, to indicate how much taxable income they are reporting. Their initial tax is calculated on taxable income. When adjusting line 5, use IRN 886.

Note: If the adjustment affects the AGI on line 1, Column B, by either a positive or negative amount and there's no change to the taxable income on line 5, Column B, then use IRN 886 with .00 as the amount of change for Column B.

- (2) If the taxpayer attempts to adjust taxable income below zero, only make the adjustment to zero.

3.11.6.14.2
(01-01-2020)
Tax Liability

- (1) Tax calculations, non-refundable credits, and taxes are reported in this subsection and include lines 6 through 11 of Form 1040-X, Amended U.S. Individual Income Tax Return.
- (2) Credits in the Tax Liability section of Form 1040-X are addressed in the Non-Refundable Credits section at IRM 3.11.6.14.2.2, Nonrefundable Credits (Line 7), and are used to reduce the amount of taxes owed by the taxpayer.

3.11.6.14.2.1
(07-22-2024)
Tax - Calculation of Tax Liability Methods (Line 6)

- (1) Line 6, Tax, is the calculation of tax on the taxable income amount shown on line 5, Taxable Income. Generally, the tax tables should be used to figure the tax on the original return. However, a different method may be used if the amended return changes the character of the income such as capital gains or qualified dividends. See the table below for the various methods of tax calculations:

If the tax was calculated using ...	Then the taxpayer enters one of the following methods in the box on line 6 ...
<i>Tax Table</i>	Table
Tax Computation Worksheet	TCW
<i>Schedule D</i> worksheet	<i>Schedule D</i>
<i>Schedule J</i> (Form 1040)	<i>Schedule J</i> Note: If Schedule J is \$2,500 or more, send the case to AM.
Qualified Dividends and Capital Gain Tax Worksheet	QDCGTW
Form 2555 or Form 2555-EZ, Foreign Earned Income Tax (Worksheet)	FEITW Note: Send the case to International
Form 8615, Tax for Certain Children Who Have Unearned Income	Send the case to AM

- (2) Use the AMS worksheets to verify the tax on line 6 when the taxpayer hasn't used the tax tables and math verification is required.

3.11.6.14.2.1.1
(01-02-2024)
Form 6251, Alternative Minimum Tax

- (1) Alternative Minimum Tax (AMT) is assessed in addition to the tax on taxable income. Form 6251 isn't a required form.
- (2) Form 6251, Alternative Minimum Tax - Individuals, may involve CB and CF issues. See IRM 3.11.6.7.8, Carryback and Carryforward Screening.
- (3) If AMT is present, forms and schedules may require recalculation.
- (4) Use RC 045 when adjusting AMT.

3.11.6.14.2.2
(01-01-2022)

**Nonrefundable Credits -
Line 7**

- (1) Taxpayers use Form 1040-X line 7, Credits, to reduce their tax by claiming non-refundable credits by an amount not to exceed line 6, Tax.
- (2) Math verify the form or schedule, if one is required.
- (3) If the credit requires a qualifying child, use CC INOLE to verify the name control, TIN, and date of birth of the qualifying child.
- (4) If the taxpayer claims credits greater than the tax on line 6 and the full amount of the credit(s) are used to reduce the corrected total tax on line 11 or if the taxpayer isn't eligible for all or part of non-refundable credit(s), see IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
- (5) If unable to determine the source of the line 7 change, research IDRS and attachments for indications of routing criteria or other processing. If the cause of normally.

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substantiated, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (7) Adjust the credit with Transaction Code (TC) 29X, Reason Code (RC) 036, unless a specific RC applies.
- (8) Non-refundable credits must be applied in the order that they appear in IRM 21.6.3.4.1(1), Nonrefundable Credits Procedures.

3.11.6.14.2.2.1
(01-02-2024)

**Form 2441, Credit for
Child and Dependent
Care Expenses**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) If the taxpayer indicates a religious (e.g., "Amish," "Mennonite," or Form 4029) or conscience-based objection to obtaining a taxpayer identification number (TIN), send the case to AM.
- (3) When processing the Child and Dependent Care Credit (CDCC), there are different rules depending on the year.

If processing tax year ...	And ...	Then ...
2022 and later		The credit is nonrefundable.
2021	The line B checkbox is checked.	The credit is refundable. See IRM 21.6.3.4.1.3.2, Refundable Child and Dependent Care Credit - Tax Year 2021.
2021	The line B checkbox isn't checked.	The credit is nonrefundable.
2020 and prior		The credit is nonrefundable.

- (4) Correspond for Form 2441 per IRM 3.11.6.11, Correspondence Table of

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- (5) See IRM 21.6.3.4.1.3, Child and Dependent Care Credit, for eligibility.

- (6) Correspond for lines 1(c) and 2(b) per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins, if missing and can't be determined from CCs NAMEI, NAMEB, NAMES, NAMEE, etc. See "NOTE" in paragraph 4 above for line 1(c) on Form 2441.

- (7) Update the DUPOL database if a TIN is being added or deleted. See IRM 3.11.6.13.3, Updating the Duplicate Taxpayer Identification Number (TIN) OnLine (DUPOL) Database.

Exception: For the current year only, CC DUPED must be used if the qualifying person was over the age of 12 but disabled or if the child turned 13 during the year.

- (8) See IRM 21.6.3.4.1.3.3, Form 2441 - Adjusting the Credit, for processing instructions.

Note: If the taxpayer is reporting Dependent Care Benefits (DCB) on line 1 of Form 1040-X, process using RC 007.

3.11.6.14.2.2.2
(01-09-2023)

Schedule R, Credit for the Elderly or the Disabled

- (1) If the taxpayer requests that the IRS compute the credit, send the case to AM.
- (2) See IRM 21.6.3.4.1.4, Schedule R, Credit for the Elderly or the Disabled, for eligibility and processing instructions.
- (3) If *Schedule R* is missing or incomplete, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (4) A physician's statement is only required if the taxpayer(s) checked box 2, 4, 5, 6, or 9 in Part I of Schedule R and didn't check box 2 in Part II.
- (5) Taxpayers may qualify for this credit, but can't take the credit if the following applies:

If filing status is ...	Adjusted gross income (AGI) is equal to or more than ...	Or the total of your nontaxable Social Security and other nontaxable pension(s), annuities, or disability income is equal to or more than ...
Single, head of household, or qualifying surviving spouse with dependent child	\$17,500	\$5,000
Married filing a joint return and both spouses qualify	\$25,000	\$7,500
Married filing a joint return and only one spouse qualifies	\$20,000	\$5,000

If filing status is ...	Adjusted gross income (AGI) is equal to or more than ...	Or the total of your nontaxable Social Security and other nontaxable pension(s), annuities, or disability income is equal to or more than ...
Married filing a separate return and you lived apart from your spouse the entire year	\$12,500	\$3,750

(6) When adjusting the credit:

- a. Use TC 291 with a dollar amount to allow/increase the credit.
- b. Use TC 290 with a dollar amount to decrease the credit.
- c. Use RC 036.

(7) If claim isn't being allowed for any reason, set a math error per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

3.11.6.14.2.2.3
(01-02-2025)**Form 8863, Education Credits**

(1) Taxpayers may claim education credits on Form 8863 for qualified education expenses paid to an eligible educational institution including accredited colleges, universities, vocational schools or other postsecondary institution. This credit is composed of two separate credits:

- a. The Lifetime Learning Credit (LLC) where the maximum amount received is up to \$2,000 (non-refundable only)
- b. The American Opportunity Tax Credit (AOTC) where the maximum amount received is a combined \$2,500:
 - \$1,500 for the non-refundable portion
 - \$1,000 for the refundable portion

(2) For the Education Credit, the student(s) claimed on Form 8863 must be the primary taxpayer, secondary taxpayer, or claimed as a dependent on the tax return. Taxpayers can't claim the credit if:

- Student is claimed as a dependent on another person's tax return
- Student is a nonresident alien

Exception: If the student is claimed as a dependent on the return and resides in Mexico or Canada, the taxpayer may be able to claim the AOTC for that student.

- The filing status on the tax return is married filing separate (FS 3)
- Modified adjusted gross income (MAGI) equals or exceeds the following amounts:

Credit	Filing Status	2024	2023	2022	2021	2020
AOTC	MFJ (2)	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
AOTC	All others	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000

Credit	Filing Status	2024	2023	2022	2021	2020
Lifetime Learning Credit	MFJ (2)	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Lifetime Learning Credit	All others	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000

- (3) Students under age 24 don't qualify for the refundable portion of the AOTC if all the following apply:
- Under age 18 at the end of the year, or age 18 at the end of the year and their earned income was less than one-half of their support, or a full-time student over age 18 and under age 24 at the end of the year and their earned income was less than one-half of their support.
 - At least one of the student's parents was alive at the end of the year.
 - The student isn't filing a joint return.
- (4) Use the following table to determine if the education credit claim must be disallowed:

If ...	Then ...
Through research, it is determined the person listed as the student wasn't a dependent of the taxpayer	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed your claim on Form 8863, Education Credits. You can claim this credit only if the person listed as a student was (1) yourself, (2) your spouse, or (3) a dependent that was claimed on your tax return.
The taxpayer didn't phase out the credit amount for the Lifetime Learning Credit. See IRM 3.11.6.14.2.2.3.1, Lifetime Learning Credit (LLC).	Disallow the exceeded amount and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed part of your credit on Form 8863, Education Credits, because the credit is reduced when your Modified Adjusted Gross Income (MAGI) exceeds \$ (use appropriate amount for filing status and tax year).
The taxpayer didn't phase out the credit amount for the American Opportunity Credit. See IRM 3.11.6.14.2.2.3.2, American Opportunity Tax Credit (AOTC) - Non-refundable	Disallow the exceeded amount and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed part of your credit on Form 8863, Education Credits, because the credit is reduced when your Modified Adjusted Gross Income (MAGI) exceeds \$ (use appropriate amount for filing status and tax year).

If ...	Then ...
The taxpayer meets or exceeds the elimination threshold amount in paragraph 2 above	Disallow the credit and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed your claim on Form 8863, Education Credits. You can't claim the credit because your Modified Adjusted Gross Income (MAGI) exceeds \$ (use appropriate amount for filing status and tax year).
The taxpayer claimed both the American Opportunity Credit and Lifetime Learning Credit for the same student in the same year	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed your claim on Form 8863, Education Credits. You can't claim both the American Opportunity Credit and the Lifetime Learning Credit for the same student for the same tax year.
The taxpayer is filing as married filing separate (FS 3) and making an initial claim.	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed your claim on Form 8863, Education Credits. You can't claim this credit if your filing status is married filing separate.
The taxpayer is filing as married filing separate (FS 3) and previously had the LLC or AOTC.	Remove all the LLC and AOTC and set a math error and send a 474C per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
The student indicates that they are claimed on another return	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed your claim on Form 8863, Education Credits. You can't claim this credit if you're claimed as a dependent on your parent's or another taxpayer's return.
The taxpayer previously claimed the Tuition and Fees deduction and is now claiming Education Credit for the same student	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed your claim on Form 8863, Education Credits. You may not claim both Form 8917, Tuition and Fees Deduction, and Form 8863, Education Credits, for the same student.

- (5) The taxpayer must provide the educational institution's Employer Identification Number (EIN) on Form 8863. If the EIN is missing and can't be determined through attachments or IDRS research, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (6) If unable to determine for whom the credit is being claimed or if the student's name and/or TIN is illegible, missing, or can't be determined, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

Note: Form 1098-T (Tuition Statement) may be used to determine the student's name, TIN, or other required information, if attached. The yes / no questions in Part III can't be dummied.

- (7) If Form 1098-T is being used as support for the Tuition and Fees deductions on line 1 of Form 1040-X, correspond for Form 8917, Tuition and Fees Deduction.
- (8) If the taxpayer claims more than the maximum credit allowed recalculate and input the correct credit amount. Non-refundable credits must be applied in order. Apply any Credit for Child and Dependent Care Expenses (Form 2441) before recalculating the education credits. Refer to IRM 3.11.6.6, Master File Verification and Math Verification Screening.
- (9) Form 8863 must be attached for the initial claim for each dependent. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (10) Update the DUPOL database to add or delete a Form 8863 record using CC DDBCK.

Note: It isn't necessary to update the DUPOL database if the taxpayer is amending a previously claimed education credit amount for the same student that was originally claimed, unless the credit for that student is reduced to zero.

- (11) The AOTC phases out when modified adjusted gross income (MAGI) is between:

Filing Status ...	2018 and later ...
MFJ (FS 2)	\$160,000 - \$180,000
All others	\$80,000 - \$90,000

The LLC phases out when MAGI is between:

Filing Status	2024	2023	2022	2021	2020
MFJ (FS 2)	\$160,000 - \$180,000	\$160,000 - \$180,000	\$160,000 - \$180,000	\$160,000 - \$180,000	\$116,000 - \$138,000
All others	\$80,000 - \$90,000	\$80,000 - \$90,000	\$80,000 - \$90,000	\$80,000 - \$90,000	\$58,000 - \$69,000

Each credit is phased out by:

- 5 percent for every \$1,000 that exceeds the threshold amount for FS 2.
- 10 percent for every \$1,000 that exceeds the threshold amount for FS 1, 4, or 5.

If the taxpayer doesn't phase-out the credits, then disallow. See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

3.11.6.14.2.2.3.1
(01-02-2024)

Lifetime Learning Credit (LLC)

- (1) See IRM 21.6.3.4.1.5, Form 8863, Education Credits, and IRM 21.6.3.4.1.5.1, Lifetime Learning Credit, for eligibility requirements.
- (2) If the taxpayer doesn't complete lines 20 thru 22 in Part III of Form 8863, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (3) If instructed to no consider the credit, follow IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP). Use fill-in: **We didn't receive information from the educational institution to verify eligibility for the credit claimed.**
- (4) To adjust the Lifetime Learning Credit, use a TC 29X with RC 035.

3.11.6.14.2.2.3.2
(07-22-2024)

American Opportunity Tax Credit (AOTC) - Non-refundable

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) PATH Act criteria applies to this credit, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act)
- (3) Send the case to AM if:
 - There's a change to the AOTC and the AOTC Recertification indicator is present.
 - Form 8862, Information to Claim Certain Credits After Disallowance, is attached.
- (4) The maximum amount for AOTC is \$2,500 combined refundable and non-refundable credit per student. The maximum amount of each portion is:
 - \$1,500 non-refundable
Note: For information on the refundable portion of the AOTC, see IRM 3.11.6.14.5.2, American Opportunity Tax Credit (AOTC) Refundable Portion.
 - \$1,000 refundable
Note: If the box on Form 8863, Part 1, line 7 is checked, the taxpayer doesn't qualify for the refundable portion, and the entire credit may be non-refundable.
- (5) If the taxpayer doesn't complete lines 20 through 26 in Part III of Form 8863, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (6) See IRM 21.6.3.4.1.5, Form 8863, Education Credits, and IRM 21.6.3.4.1.5.2, Form 8863 - Adjusting the Credit, and IRM 21.6.3.4.2.11, Form 8863, American Opportunity Tax Credit, for additional eligibility requirements.
Caution: When reviewing CC IRPTR to verify the 1098-T information to determine the enrollment status and "NO CHG IN REPORTNG METHOD FROM PREV YR" is present, check the previous year(s).
- (7) If the requirements for AOTC are not met follow the table.

If ...	Then ...
Instructed to no consider the claim per IRM 21.6.3.4.1.5.2, Form 8863 - Adjusting the Credit, for additional eligibility requirements.	No consider the claim following IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP). Use fill-in: We didn't receive information from the educational institution to verify eligibility for the credit claimed.
Instructed to disallow the claim per IRM 21.6.3.4.1.5.2, Form 8863 - Adjusting the Credit, for additional eligibility requirements.	No consider the claim and input the adjustment per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP). Use fill-in: We didn't receive information from the educational institution to verify eligibility for the credit claimed.
The student, for which AOTC is claimed, indicates the credit has been claimed for any four prior years	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed the American Opportunity Tax Credit on your Form 8863, Education Credits, because you can only claim the credit for four years for each student.
The student, for which the credit is claimed, indicates they were not enrolled at least half-time for at least one academic period (that began during the tax period) at an eligible education institution	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed the American Opportunity Tax Credit on your Form 8863, Education Credits, because the student listed must be enrolled at least half-time for at least one academic period.
The student, for which the credit is claimed, indicates they were convicted of a felony for possession or distribution of a controlled substance and the conviction was before the end of the tax period for which the credit was claimed	Disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We disallowed the American Opportunity Tax Credit on your Form 8863, Education Credits, because the student listed has been convicted of a felony for possession or distribution of a controlled substance.

(8) To adjust the AOTC non-refundable portion of the credit:

- a. Use TC 291 with a money amount to allow/increase the credit.
- b. Use TC 290 with a money amount to decrease the credit.
- c. Use RC 035.

3.11.6.14.2.2.4
(01-01-2022)

**Form 8880, Credit for
Qualified Retirement
Savings Contributions**

- (1) Form 8880 must be submitted. If present, math verify the taxpayer's figure. If
- 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

#

- (2) If claim is being disallowed for any reason, see IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
- (3) Refer to IRM 21.6.3.4.1.28, Form 8880, Credit for Qualified Retirement Savings Contributions, for eligibility and processing instructions.

3.11.6.14.2.2.5
(07-22-2024)

Credit for Other Dependents (ODC)

- (1) Send the case to AM if:
 - There's a change to Credit for Other Dependents (ODC) and a CTC/ACTC Recertification Indicator is present on IDRS.
 - The taxpayer attaches Form 8862, Information to Claim Certain Credits After Disallowance.
 - The taxpayer indicates a religious (e.g., "Amish," "Mennonite," or Form 4029) or conscience-based objection to obtaining a TIN.
- (2) The ODC is a \$500 non-refundable credit claimed for those dependents who don't qualify the taxpayer for Child Tax Credit.
- (3) The ODC is phased out by \$50 for each \$1,000 the AGI exceeds \$400,000 in the case of a joint return, \$200,000 for all other filers.
- (4) See IRM 21.6.3.4.1.24.3, Credit for Other Dependents (ODC), for eligibility.

Note: *Schedule 8812*, Credits for Qualifying Children and Other Dependents, is required.

- (5) If eligibility requirements are not met, disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

If the disallowance is related to ...	Then ...
PATH Act	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
A dependent not claimed on the return.	See IRM 3.11.6.10.5 Correspondence for Disallowing a Claim (Letter 105C and Letter 106C. Use fill-in: We've disallowed your claim for the Credit for Other Dependents because a dependent(s) wasn't listed on your return.

- (6) ODC can't be input into CC DDBCK.
- (7) When adjusting the credit:
 - Use TC 291 with a money amount to allow/increase the credit (decreases the tax)
 - Use TC 290 with a money amount to decrease the credit (increases the tax)
 - Use RC 173

3.11.6.14.2.2.6
(01-02-2025)

Child Tax Credit (CTC)

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Send the case to AM if:
 - There's a change to CTC and a CTC/ACTC Recertification Indicator is present on IDRS.
 - The taxpayer attaches Form 8862, Information to Claim Certain Credits After Disallowance.
 - The taxpayer indicates a religious (e.g., "Amish," "Mennonite," or Form 4029) or conscience-based objection to obtaining a TIN.
- (3) Child Tax Credit amounts.

If processing tax year ...	And the qualifying child is ...	Then the CTC amount per qualifying child is ...
2024	Under 17 years of age	\$2,000
2023	Under 17 years of age	\$2,000
2022	Under 17 years of age	\$2,000
2021	Under 6 years old.	\$3,600
2021	6 to 17 years old	\$3,000
2020	Under 17 years of age	\$2,000

- (4) When processing the CTC, the credit has different rules depending on the year.

If processing tax year ...	And ...	Then ...
2024 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.		The CTC is non-refundable, and the taxpayer may qualify for up to \$1,700 of ACTC.
2023 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.		The CTC is non-refundable, and the taxpayer may qualify for up to \$1,600 of ACTC.
2022 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.		The CTC is non-refundable, and the taxpayer may qualify for up to \$1,500 of ACTC.

If processing tax year ...	And ...	Then ...
2021 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.	<i>Schedule 8812</i> line 13 Box A is checked.	The CTC is refundable.
2021 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.	<i>Schedule 8812</i> line 13 Box B is checked	Send the case to International.
2021 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.	<i>Schedule 8812</i> line 13 has no boxes checked	The CTC is non-refundable and the taxpayer may qualify for up to \$1,400 of Additional Child Tax Credit (ACTC).
2020 Note: <i>Schedule 8812</i> , Credits for Qualifying Children and Other Dependents, is required.		The CTC is non-refundable, and the taxpayer may qualify for up to \$1,400 of ACTC.

- (5) If Schedule 8812 is required but missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (6) Math verify the taxpayer's figures by completing the appropriate AMS worksheet(s).
- (7) CTC phase out threshold.

If processing tax year ...	Then ...
2024	The total CTC is phased out by \$50 for each \$1,000 the AGI exceeds \$400,000 in the case of a joint return, \$200,000 for all other filers.
2023	The total CTC is phased out by \$50 for each \$1,000 the AGI exceeds \$400,000 in the case of a joint return, \$200,000 for all other filers.
2022	The total CTC is phased out by \$50 for each \$1,000 the AGI exceeds \$400,000 in the case of a joint return, \$200,000 for all other filers.

If processing tax year ...	Then ...
2021	<p>The total CTC is phased out by \$50 for each \$1,000 the AGI exceeds \$150,000 in the case of a joint return, \$112,500 for HOH, and \$75,000 for all other filers.</p> <p>Caution: When the 2021 increased CTC credit amount is reduced below what would have otherwise been applicable based on prior legislation, then the rules for tax years 2018-2020 and 2022-2025 apply (as shown below).</p> <p>Example: A married filing jointly filer, 3 children ages 1, 3, and 7, with a MAGI of \$250,000. Tentative CTC is \$10,200. $\\$250,000 - \\$150,000 \text{ income threshold} = \\$100,000$ $\\$100,000 \times 5 \text{ percent phaseout } (\\$50 \text{ for each } \\$1,000) = \\$5,000$ $\\$10,200 \text{ (tentative credit)} - \\$5,000 = \\$5,200$ The increased credit amount is less than the credit allowed following prior year rules (\$2,000 per child), therefore, total allowable CTC is \$6,000.</p>
2020	<p>The total CTC is phased out by \$50 for each \$1,000 the AGI exceeds \$400,000 in the case of a joint return, \$200,000 for all other filers.</p>

- (8) PATH Act criteria applies to this credit, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (9) See IRM 21.6.3.4.1.24.1, CTC - Qualifications, for eligibility.
- (10) If the dependent doesn't qualify the taxpayer for CTC/ACTC, they may qualify the taxpayer for Credit for Other Dependents.
- (11) If processing a CTC claim for tax year 2021, see IRM 3.11.6.14.5.1.1, Schedule 8812, Refundable Child Tax Credit (Tax Year 2021), and IRM 3.11.6.14.2.4.3, Reconciling Advance Child Tax Credit Payments (Tax Year 2021).
- (12) If instructed to disallow, input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

If the disallowance is related to ...	Then ...
PATH Act	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

If the disallowance is related to ...	Then ...
Age criteria	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We've disallowed your claim on Form 1040-X. To claim the Child Tax Credit, your dependent must be under the age of (seventeen/eighteen) at the end of the tax year.
A dependent with an ITIN or ATIN	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: Beginning in 2018, your dependent must have a Social Security number issued before the due date of your return (including extensions) to claim the Child Tax Credit.
A dependent who doesn't qualify the taxpayer for CTC/ACTC but qualifies the taxpayer for the ODC.	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We've disallowed your claim for Child Tax Credit because the dependent(s) listed don't meet the eligibility requirements; however, we've allowed you the Credit for Other Dependents.
The CTC/ACTC and ODC being claimed for the same dependent, disallow the ODC and allow the CTC/ACTC if qualified.	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use fill-in: We've disallowed your claim for the Credit for Other Dependent. The same dependent(s) can't be claimed for both the Credit for Other Dependent and the (Additional) Child Tax Credit.
The CTC/ACTC and ODC being claimed for the same dependent, disallow the CTC/ACTC and allow the ODC if qualified.	IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use the fill-in: We've disallowed your claim for Child Tax Credit because the dependent(s) listed don't meet the eligibility requirements.

(13) Update the DUPOL database using CC DDBCK prior to inputting adjustment.

(14) When adjusting the credit for:

Tax Year ...	Use ...
2023 and later	<ul style="list-style-type: none"> • IRN 820 with a money amount to record the credit increase or decrease • TC 291 with a money amount to increase the credit (decreases the tax) • TC 290 with a money amount to decrease the credit (increases the tax) • RC 036

Tax Year ...	Use ...
2022 and earlier	<ul style="list-style-type: none"> • TC 291 with a money amount to increase the credit (decreases the tax) • TC 290 with a money amount to decrease the credit (increases the tax) • RC 036

- 3.11.6.14.2.2.7
(01-01-2022)
Form 8396, Mortgage Interest Credit
- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
 - (2) If Form 8396 isn't attached, correspond per, IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (3) Refer to IRM 21.6.3.4.1.26, Form 8396, Mortgage Interest Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.8
(01-01-2022)
Form 5695, Residential Energy Credits
- (1) If Form 5695, Residential Energy Credits, is missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) If the taxpayer is claiming more than the maximum allowed for either credit, follow instructions per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
 - (3) Refer to IRM 21.6.3.4.1.27, Form 5695, Residential Energy Credits, for eligibility and processing instructions.
- 3.11.6.14.2.2.9
(01-02-2025)
Form 3800, General Business Credit
- (1) Carryback or carryforward criteria may apply. See IRM 3.11.6.7.8, Carryback and Carryforward Screening.
 - (2) Screen the case for CAT-A criteria. See IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
 - (3) Several of the credits claimed on Form 3800, General Business Credit, don't meet SP criteria. Send the case to AM if any of the following are changing:
 - Form 5884-A, Employee Retention Credit for Employers Affected by Qualified Disasters. The claim may cite Employee Retention Credit Voluntary Disclosure Program.

Note: Route as KATX.

 - Form 8844, Empowerment Zone Employment Credit
 - Form 8844-A, Empowerment Zone Employment Credit
 - Form 8845, Indian Employment Credit
 - Form 8846, Credit for Employer Social Security and Medicare Taxes Paid on Certain Employee Tips
 - Form 8904, Credit for Oil and Gas Production From Marginal Wells
 - Form 8906, Distilled Spirits Credit
 - Form 8908, Energy Efficient Home Credit
 - Form 8923, Mine Rescue Team Training Credit
 - Form 8932, Credit for Employer Differential Wage Payments
 - Form 8933, Carbon Oxide Sequestration Credit
 - Form 8941, Credit For Small Employer Health Insurance Premiums (SHOP)

Note: Route as ACAX.

- Form 8994, Employer Credit for Paid Family and Medical Leave
- (4) Several of the credits claimed on Form 3800, General Business Credit, may have an Elective Payment Election (EPE). Refer to IRM 3.11.6.14.2.2.9.20, Elective Payment Election (EPE).
- (5) Form 3800, General Business Credit, and if applicable, the appropriate credit form must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (6) Form 3800, General Business Credit, must be math verified.
- (7) See IRM 21.6.3.4.1.22, Form 3800, General Business Credit, for eligibility and processing instructions.
- (8) When adjusting the credit:
 - Use TC 291 with a money amount to allow/increase the credit.
 - Use TC 290 with a money amount to decrease the credit.
 - Use RC 036.

Caution: Some credits captured on Form 3800 require specific item reference numbers. See the appropriate IRM subsection before adjusting the module.

3.11.6.14.2.2.9.1

(01-01-2022)

Form 3468, Investment Credit

- (1) When there's a change to this credit, Form 3468, Investment Credit, and Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (2) See IRM 21.6.3.4.1.9, Form 3468, Investment Credit, for eligibility and processing instructions.

3.11.6.14.2.2.9.2

(01-01-2022)

Form 5884, Work Opportunity Credit

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) When there's a change to this credit, Form 5884, Work Opportunity Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (3) See IRM 21.6.3.4.1.10, Form 5884, Work Opportunity Credit, for eligibility and processing instructions.

3.11.6.14.2.2.9.3

(01-01-2022)

Form 6478, Biofuel Producer Credit

- (1) When there's a change to this credit, Form 6478, Biofuel Producer Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (2) See IRM 21.6.3.4.1.11, Form 6478, Biofuel Producer Credit, for eligibility and processing instructions.

- 3.11.6.14.2.2.9.4
(06-27-2022)
Form 6765, Credit for Increasing Research Activities
- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
 - (2) When there's a change to this credit, Form 6765, Credit for Increasing Research Activities, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (3) See IRM 21.6.3.4.1.12, Form 6765, Credit for Increasing Research Activities, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.5
(01-01-2022)
Form 8586, Low-Income Housing Credit
- (1) When there's a change to this credit, Form 8586, Low-Income Housing Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.13, Form 8586, Low-Income Housing Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.6
(01-01-2022)
Form 8820, Orphan Drug Credit
- (1) When there's a change to this credit, Form 8820, Orphan Drug Credit, or Form 3800, General Business Credit, is missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.18, Form 8820, Orphan Drug Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.7
(01-01-2022)
Form 8826, Disabled Access Credit
- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
 - (2) When there's a change to this credit, Form 8826, Disabled Access Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (3) See IRM 21.6.3.4.1.14, Form 8826, Disabled Access Credit, for eligibility and processing instructions.
 - (4) If instructed to disallow the credit, input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Use the following fill-in: **We've not allowed your claim for the Disabled Access Credit. The Disabled Access Credit is a business credit. There's no indication of business ownership or activity based on your tax return information for this tax year.**
- 3.11.6.14.2.2.9.8
(01-01-2022)
Form 8834, Qualified Plug-in Electric and Electric Vehicle Credit
- (1) When there's a change to this credit, Form 8834, Qualified Plug-in Electric and Electric Vehicle Credit, and Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.8, Form 8834, Qualified Plug-in Electric and Electric Vehicle Credit, for eligibility and processing instructions.

- 3.11.6.14.2.2.9.9
(01-01-2022)
Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit
- (1) When there's a change to this credit, Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.15, Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.10
(01-01-2022)
Form 8864, Biodiesel and Renewable Diesel Fuels Credit
- (1) When there's a change to this credit, Form 8864, Biodiesel and Renewable Diesel Fuels Credit, and Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.32, Form 8864, Biodiesel and Renewable Diesel Fuels Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.11
(01-01-2022)
Form 8874, New Markets Credit
- (1) When there's a change to this credit, Form 8874, New Markets Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.31, Form 8874, New Markets Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.12
(01-01-2022)
Form 8881, Credit for Small Employer Pension Plan Startup Costs and Auto-Enrollment
- (1) When there's a change to this credit, Form 8881, Credit for Small Employer Pension Plan Startup Costs and Auto-Enrollment, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.29, Form 8881, Credit for Small Employer Pension Plan Startup Costs and Auto-Enrollment, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.13
(01-01-2022)
Form 8882, Credit for Employer Provided Childcare Facilities and Services
- (1) When there's a change to this credit, Form 8882, Credit for Employer Provided Childcare Facilities and Services, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.30, Form 8882, Credit for Employer Provided Childcare Facilities and Services, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.14
(01-01-2022)
Form 8896, Low Sulfur Diesel Fuel Production Credit
- (1) When there's a change to this credit, Form 8896, Low Sulfur Diesel Fuel Production Credit, and Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
 - (2) See IRM 21.6.3.4.1.33, Form 8896, Low Sulfur Diesel Fuel Production Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.15
(01-01-2022)
Form 8900, Qualified Railroad Track Maintenance Credit
- (1) When there's a change to this credit, Form 8900, Qualified Railroad Track Maintenance Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (2) See IRM 21.6.3.4.1.34, Form 8900, Qualified Railroad Track Maintenance Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.16
(01-01-2022)
Form 8907, Non-conventional Source Fuel Credit
- (1) When there's a change to this credit, Form 8907, Non-conventional Source Fuel Credit, or Form 3800, General Business Credit, must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (2) See IRM 21.6.3.4.1.7, Form 8907, Non-conventional Source Fuel Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.17
(01-01-2022)
Form 8910, Alternative Motor Vehicle Credit
- (1) When there's a change to this credit, Form 8910, Alternative Motor Vehicle Credit, or Form 3800 must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (2) See IRM 21.6.3.4.1.35, Form 8910, Alternative Motor Vehicle Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.18
(01-01-2022)
Form 8911, Alternative Fuel Vehicle Refueling Property Credit
- (1) When there's a change to this credit, Form 8911, Alternative Fuel Vehicle Refueling Property Credit, or Form 3800 must be attached. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (2) Refer to IRM 21.6.3.4.1.36, Form 8911, Alternative Fuel Vehicle Refueling Property Credit, for eligibility and processing instructions.
- 3.11.6.14.2.2.9.19
(02-06-2024)
Form 8936, Clean Vehicle Credits
- (1) CAT-A criteria may apply. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) When there's a change to this credit for tax year (TY) 2023, Form 8936, Clean Vehicle Credits, or Form 3800, General Business Credit, and *Schedule A (Form 8936)*, Clean Vehicle Credit Amount, must be attached.
- (3) When there's a change to this credit for TY 2022 and prior, Form 8936, Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two-Wheeled Plug-in Electric Vehicles and New Clean Vehicles), or Form 3800, General Business Credit, must be attached.
- (4) If the required form or schedule is missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (5) See IRM 21.6.3.4.1.38, Form 8936, Clean Vehicle Credits, for each credit Clean Vehicle Credit claimed.
- (6) For TY 2023, refer to IRM 21.6.3.4.1.38.1, Clean Vehicle Credits - Qualifications, IRM 21.6.3.4.1.38.2, Form 8936, Clean Vehicle Credits - Account Information, and IRM 21.6.3.4.1.38.3, Form 8936, Clean Vehicle Credits - Adjusting the Account, for each Clean Vehicle Credit claimed.
- (7) For tax years 2022 and prior, refer to IRM 21.6.3.4.1.38.4, Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two-Wheeled Plug-in Electric Vehicles and New Clean Vehicles) (Tax Year 2022 and Prior).

3.11.6.14.2.2.9.20
(01-02-2024)
**Elective Payment
Election (EPE)**

- (1) CAT-A criteria may apply. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Send all Elective Payment Election (EPE), formerly called the Deemed Payment Election (DPE), claims to AM.

Note: The EPE and DPE can be identified on the tax module by a TC 766 amount without a CRN.

3.11.6.14.2.3
(01-03-2023)
Line 9

- (1) This line isn't currently used on the Form 1040-X.

3.11.6.14.2.4
(01-02-2024)
Line 10 - Other Taxes

- (1) Taxpayers use line 10, Other Taxes, to report additional taxes owed.

Note: Uncollected Taxes (UT) may be reported on line 10 or 11 of Form 1040-X. Use RC 049 when UT is changing

- (2) If the taxpayer is amending any of the following, send the case to AM:
 - a. Form 4137, Social Security and Medicare Tax on Unreported Tip Income
 - b. Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax Favored Accounts-- with Parts III - IX completed
 - c. Form 8919, Uncollected Social Security and Medicare Tax on Wages
 - d. Form 8959, Additional Medicare Tax
 - e. Form 8960, Net Investment Income Tax
 - f. *Schedule H*, Household Employment Taxes

Note: If there's an unexplained entry on line 10, and the type of income or reason for the change can't be determined through attachments or IDRS research, refer to lead.

3.11.6.14.2.4.1
(01-02-2024)
**Additional Tax on Early
Distribution - Form 5329
and Form 1099-R (Line
10)**

- (1) Taxpayers use Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts, or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., to report the amount and the additional tax for early withdrawal/distribution or an excess contribution of their IRA. Taxpayers may explain they are claiming this amount in lieu of submitting Form 5329 or Form 1099-R.

Note: If taxpayer sends in both Form 5329 and Form 1099-R, follow the Form 1099-R instructions.

- (2) When a taxpayer submits an amended Form 5329, only process claims that have "Part I" or "Part II" of Form 5329 completed.
- (3) If processing a claim based on "Part II", process only those based on Form 1099-QA, Distributions from ABLE Accounts, Form 1099-1A, Distributions from ABLE Accounts, or Form 5498-QA, ABLE Account Contribution Information.

Note: These forms are not available on CC IRPTR.

- (4) Refer to AM any Form 5329 with:

- Entries in Part II based on a Form 1099-Q, Payments From Qualified Education Programs (Under Section 529 and 530).
- Entries in Parts III through IX.

(5) Use the following Reason Codes when processing:

- a. RC 016 for the IRA distribution.
- b. For Distribution Code 1, the 10 percent additional tax is required unless exception code 1-12 is provided. If the additional tax is changing, use RC 048.

Note: The full distribution amount must be listed on line 1 and the excluded amount must be listed on line 2, If not, send the case to AM.

(6) If the taxpayer used Form 1099-R instead of Form 5329 to report the amount, process only those claims that have a Distribution Code of "1" or "7". If Form 1099-R has a Distribution Code other than a 1 or 7 and is changing, send the case to AM. If the taxpayer identifies a change to Form 1099-R, verify the distribution code even if there's no dollar change.

Exception: If the taxpayer is claiming ONLY withholding from a 1099-R that has a distribution code other than a 1 or a 7, continue processing the return. Use reason code 051.

- a. For Distribution Code 1, the taxpayer must report the taxable portion of the distribution (box 2a of Form 1099-R) on line 1 of Form 1040-X. The taxpayer is also generally subject to a 10 percent additional tax for early withdrawal which is reported on line 10 of Form 1040-X as "Other Taxes."
- b. If the Distribution Code is "1" and the taxpayer states they're not subject to the 10 percent additional tax, Form 5329 must be attached. Correspond if missing per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- c. If the Distribution Code is "1" and the taxpayer didn't include the 10 percent additional tax and no Form 5329 is attached, send the case to AM.
- d. For Distribution Code 7, the taxpayer isn't subject to additional tax. This distribution is a "Normal Distribution" from Education Accounts.

Note: If the taxpayer doesn't provide a Form 1099-R, research IDRS using CC IRPTR to determine the distribution code. If unable to determine the distribution code through IDRS research, send the case to AM. Prior year data is available; however current year data won't be available until mid-year.

(7) The 10% additional tax is waived for reservists called to active duty.

- a. Taxpayers have been instructed to write "Active-Duty Reservist" in the top margin of the Form 1040-X if the 10% additional tax was already paid on a distribution. Eligible reservists may file Form 1040-X to claim a refund. The words "Active Duty" should be written on the top of the form. Part II, Explanation of Changes, must include:
 - The date they were called to active-duty
 - The amount of the retirement distribution
 - The amount of early distribution tax paid

- (8) If the taxpayer doesn't provide the early retirement distribution amount or tax paid and the distribution can't be verified through IRPTR or the active-duty date isn't provided, correspond per the table below.

If ...	Then ...
Sending Letter 178C	Use the fill-in: We're unable to correct your account with the information you provided on your Form 1040-X, Amended U.S. Individual Income Tax Return. You didn't provide the date you were called to active-duty, the amount of the retirement distribution, and the amount of early distribution tax paid to support your claim. Please submit another Form 1040-X with the date you were called to active-duty, the amount of the retirement distribution, and the amount of early distribution tax paid.
Sending Letter 324C	Use the fill-in: Please provide the date you were called to active-duty, the amount of the retirement distribution, and the amount of early distribution tax paid.

- (9) Process the claim using reason code 048.

3.11.6.14.2.4.2
(01-02-2024)

**Self-Employment (SE)
Tax (Line 10)**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Send the case to AM when SE tax is changing if:
 - There's an indication the taxpayer is a minister or received wages from ministerial duties.
 - Form 4361, Application for Exemption From Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners, is present.
 - There's an indication of partnership (i.e., *Schedule E*) on which the SE tax is based.
 - The Optional Method in Section II of *Schedule SE* was used to calculate SE tax
- (3) Correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins, if on a joint return:
 - Both taxpayers have self-employment income, and the taxpayers combined their SE Tax onto one *Schedule SE*.
Exception: For tax years 2019 and prior, if one spouse qualifies to use Short Schedule SE and the other must use Long Schedule SE, then both taxpayers can use the same form.
 - You're unable to determine which taxpayer's account to adjust.
- (4) If the correspondence sent per paragraph 5 above is undelivered or no-reply has been received, then assign the SE income following the table.

If ...	And ...	Then ...
The full SE income is assigned to the primary taxpayer	Assigning the SE income to the primary doesn't exceed the maximum amount subject to SE social security	Assign the SE income to the primary taxpayer.
The full SE income is assigned to the primary taxpayer	Assigning the SE income to the primary does exceed the maximum amount subject to SE social security	Assign the full SE income to the secondary taxpayer
The full SE income is assigned to the secondary taxpayer	Assigning the SE income to the secondary doesn't exceed the maximum amount subject to SE social security	Assign the SE income to the secondary taxpayer.
Both taxpayers have SE income	Assigning the SE income to the primary taxpayer exceeds the maximum amount subject to SE social security	Assign the SE income to the primary taxpayer up to the maximum amount and assign the remainder to the secondary taxpayer.
Both taxpayers have SE income	Assigning the SE income to the secondary taxpayer exceeds the maximum amount subject to SE social security	Assign the SE income to the secondary taxpayer up to the maximum amount and assign the remainder to the primary taxpayer.

- (5) See IRM 21.6.4.4.14, Self-Employment Tax, for filing requirements.
- (6) See IRM 3.11.6.14.5.8, Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals, for claims involving Form 7202.
- (7) See IRM 3.11.6.14.2.4.2.1, Self-Employment Tax Deferment, for deferment claims.

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- (9) Income that isn't subject to SE Tax:
- Native American Tribal income. For help in determining Native American Tribal income, see *Reporting Tribal Per Capita Distributions on Your Tax Return*.
 - Statutory employee income indicated on Form W-2, box 13.
- (10) See IRM 21.6.4.4.14.2, Self-Employment Tax Adjustments, for adjustment instructions.

3.11.6.14.2.4.2.1
(01-09-2023)

**Self-Employment Tax
Deferment - Tax Year
2020**

- (1) The deferral allows self-employed individuals to defer their portion of social security taxes. The deferral is applicable to tax year 2020.
- (2) If the deferment amount is being claimed on *Form 1040, Schedule H*, Household Employment Taxes, send the case to AM.

- (3) The amount of deferral for self-employed individuals is 50 percent of the amount reported on line 26 of *Schedule SE*, Self-Employment Tax. The deferral amount is carried to Form 1040, *Schedule 3, Additional Credits and Payments*, line 12e, and posted with a TC 766 Credit Reference Number (CRN) 280. CRN 280 acts as a false credit.

Note: Any overpayment offsets to the deferred amount prior to refunding. Generally, the taxpayer only benefits if filing a balance due return. When deferred and recaptured at the same time, IDRS shows the deferred amount (CRN 280), a refundable credit such as the Earned Income Tax Credit or the Additional Child Tax Credit, and a reversal of the deferred amount (TC 767 CRN 280).

- (4) The deferred amount must be paid by the following dates: 50% of the deferred amount was due on or before December 31, 2021. The remaining deferred amount was due on or before December 31, 2022. Subsequent payments made, or overpayments arising on the module, trigger CRN 280 reversals (TC 767) for appropriate amounts and dates. If the taxpayer doesn't pay the amount owed, the computer reverses the appropriate amount as of the payment due date and penalties and interest begins to accrue. CC IMFOLM displays the deferred amount and when it is due in the "CARES ACT SECT 2302 DEFERRAL" section.

- (5) To adjust the maximum deferred amount for self-employed individuals, input the following:

- *Schedule SE*, line 26 - IRN 211
- Form 1040, *Schedule 3*, line 12e - CRN 280
- RC 044

Note: In xMend, the adjustment is input on line 10.

3.11.6.14.2.4.3
(02-26-2024)
**Reconciling Advance
Child Tax Credit
Payments - Tax Year
2021**

- (1) When filing their amended return, taxpayers who received Advance Child Tax Credit (AdvCTC) payments complete *Schedule 8812*, Credit for Qualifying Children and Other Dependents, to reconcile the amount of payments received with the amount of Child Tax Credit (CTC) they can properly claim on their 2021 return.
- (2) Refer to IRM 21.6.3.4.1.24.2.1, Reconciling the Advance Child Tax Credit Payments, for processing instructions.
- (3) The following Item Reference Numbers (IRN) reflect AdvCTC information from the original return or subsequent adjustment:
- IRN 817 - Excess AdvCTC - *Schedule 8812* line 29
 - IRN 818 - AdvCTC Repayment - *Schedule 8812* line 40
 - IRN 819 - AdvCTC Limitation amount (write-off/forgiveness due to repayment protection)
- (4) When a math error is present that reduced the AdvCTC reconciliation amount to \$0, review CC TXMODA for the posted IRN 818 or IRN 819 information. If the IRN 818 or IRN 819 information isn't present, use the IAT REQ54 tool to input the adjustment requested on the amended return to prevent an un-postable condition.

- (5) When adjusting the AdvCTC:
- Use TC 29X as appropriate

• Use appropriate IRN from list in paragraph 4 above

• Use RC 221 and the appropriate source code and blocking series.

Reminder: Taxpayers who owe additional tax may be eligible for full or partial repayment protection based on their modified adjusted gross income (MAGI).

3.11.6.14.2.4.4
(01-02-2025)
**Schedule A (Form 8936),
Clean Vehicle Credit
Amount, Part II
Repayment of New
Clean Vehicle Credit**

- (1) Taxpayers report their new clean vehicle credit repayment transferred to a registered dealer from Schedule A (Form 8936), Clean Vehicle Credit Amount, Part II, on Form 1040, Schedule 2, line 1b.
- (2) If the amount of the repayment from Schedule A (Form 8936), Clean Vehicle Credit Amount, Part II is changing, send the case to AM.

3.11.6.14.2.4.5
(01-02-2025)
**Schedule A (Form 8936),
Clean Vehicle Credit
Amount, Part IV
Repayment of New
Clean Vehicle Credit**

- (1) Taxpayers report their new clean vehicle credit repayment transferred to a registered dealer from Schedule A (Form 8936), Clean Vehicle Credit Amount, Part IV, on Form 1040, Schedule 2, line 1c.
- (2) If the amount of the repayment from Schedule A (Form 8936), Clean Vehicle Credit Amount, Part IV is changing, send the case to AM.

3.11.6.14.2.5
(01-02-2024)
Total Tax (Line 11)

- (1) Line 11, Total tax, is used to indicate the taxpayer’s total tax liability. Total tax liability is the sum of:
- “Tax” before credits (based on taxable income) from line 6

• Minus (–) any “nonrefundable credits” from line 7

• Plus (+) any additional “Other taxes” from line 10

• Equals (=) “Total tax” on line 11

Note: The amount of total tax based on the original filed return is represented by a TC 150 on CC TXMOD or CC IMFOL.

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3.11.6.6, Master File Verification and Math Verification Screening, if there’s a discrepancy between IRS and taxpayer’s figures, or there’s a math error.

- (3) All processable claims require either a TC 290 or TC 291:

Transaction Code	Tax Adjustment
Use TC 290	<div><div></div><div><div>• Increase in line 11.</div><div>• No change on line 11 (zero tax change).</div></div></div>
Use TC 291	Decrease on line 11

Note: Never adjust line 11 below zero, regardless of what the taxpayer has indicated. If the adjustment can’t be input because you can’t reduce an item below zero, then adjust the account following IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

3.11.6.14.3
(01-01-2021)
Payments

- (1) Federal withholding, estimated tax payments, and refundable credits are reported in the Payments section and include lines 12 through 17 of Form 1040-X.
- (2) Credits in the Payments section of Form 1040-X are addressed in IRM 3.11.6.14.4, Earned Income Credit (EIC) - Line 14, and IRM 3.11.6.14.5, Refundable Credits - Line 15.

3.11.6.14.3.1
(07-22-2024)
**Federal Income Tax
Withholding (Line 12)**

- (1) Taxpayers use line 12 to report their:
 - Federal Income Tax Withholding - TC 806 or TC 807
 - Excess Social Security/Railroad Retirement Tax Act (RRTA) Tier 1 - TC 766
- (2) When using Command Code (CC) IRPTR to verify withholding, refer to IRM 3.11.6.2.6.1.1, CC IRPTR, before beginning the verification process.
- (3) When a taxpayer with an ITIN files an amended return, some of the withholding might be reported under either a work assumed SSN or ITIN. When verifying the withholding, the name on the return must match the income document (IDOC).
- (4) If withholding is being claimed per Schedule K-1 and the IDOC can't be verified on CC IRPTR, send the case to AM.
- (5) When an amended return with Social Security Administration (SSA) benefits or other types of income where the withholding may be questionable, research CC IRPTR to verify the withholding. If IRPTR doesn't substantiate the withholding, "No Consider" the claim per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP), using the fill-in: **Please provide documentation to substantiate your withholding claim such as Form 1099-SSA, or other appropriate documentation and we'll reconsider your claim.**

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below to verify the change:

If ...	And ...	Then ...
All IDOCs associated with the change are provided	You're unable to verify the withholding amount on IRPTR	Correspond per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).
All IDOCs associated with the change are provided	You're able to verify the withholding amount on IRPTR	Process as normal.
Form W-2, Form 1099 series or other income document(s) associated with the change are missing, handwritten, altered or is a substitute	You're unable to verify the withholding amount on IRPTR	Correspond per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).

If ...	And ...	Then ...
Form W-2, Form 1099 series or other income document(s) associated with the change are missing, handwritten, altered or is a substitute	You're able to verify the withholding amount on IRPTR	Process as normal.
If the withholding amount associated with the change is based on Form W-2 whether provided or on IRPTR	The withholding amount is equal/similar to the FICA (Social Security and Medicare taxes) on the same amount of income	Allow the withholding amount from the Form W-2.

- (7) When adjusting line 12, use RC 051 for changes to withholding and RC 055 for Excess Social Security and Tier RRTA:

Caution: Never adjust line 12 below zero.

- CRN 806 for increases to withholding.
- CRN 807 for decreases to withholding.
- CRN 252 for increases/decreases to Excess Social Security.

Note: Use Priority Code 8 when there's a TC 17X posted on the account to prevent an unpostable condition.

3.11.6.14.3.1.1
(01-02-2025)

**Excess Social Security
and Railroad Retirement
Tax Act (RRTA)**

- To process an excess Social Security and Railroad Retirement Tax Act (RRTA) claim the individual taxpayer must report wages from more than one employer.
- Social Security or RRTA wages and tax withheld must exceed the maximum amount required for the tax year:

Tax Year	Maximum SS/RRTS Wages	Maximum SS/RRTA Tax W/H (Tax Limit – 6.2 percent)
2024	\$168,600	\$10,453.20
2023	\$160,200	\$9,932.40
2022	\$147,000	\$9,114.00
2021	\$142,800	\$8,853.60
2020	\$137,700	\$8,537.40

Note: Social Security Wages are found in Box 3 of the W-2 Form.

- If more than the maximum Social Security tax (or equivalent portion of the RRTA tax) is withheld from the wages of the employee, the employee can receive a credit for the Social Security or RRTA tax withheld in excess of the maximum Social Security and RRTA tax. This credit is available only if such withholding is the result of the employee working for two or more employers.
- Use the following when the taxpayer doesn't meet the necessary qualifications to claim excess Social Security and RRTA Tier 1:

If ...	Then ...
<p>The excess Social Security was withheld by only one employer and there's one W-2</p> <p>Exception: If the issuer of the W-2 is a Professional Employer Organization (PEO) or Certified Professional Employer Organization (CPEO) (a payroll processing company), they'll never reimburse the employee. Follow the procedures in the next box below.</p>	<p>Follow IRM 3.11.6.10.10, Correspondence for Excess Social Security and Railroad Retirement Tax (Letter 404C).</p>
<p>The taxpayer has separate Forms W-2 with the same employer EIN</p>	<p>The taxpayer can claim excess Social Security or RRTA Tier I tax withheld if:</p> <ul style="list-style-type: none"> • A parent company and one or more of its subsidiaries are responsible. • A company acted as an agent for more than one of the taxpayer's employers. • The W-2 was issued by a Professional Employer Organization (PEO) or Certified Professional Employer Organization (CPEO) (a payroll processing company). <p>Note: The Form W-2 won't show it was issued by a PEO or CPEO, but if the taxpayer indicates the W-2 was issued by one allow the credit.</p>
<p>The taxpayer is MFJ and used earnings / Social Security from both the primary and secondary taxpayers to calculate excess Social Security</p>	<p>Follow IRM 3.11.6.10.10, Correspondence for Excess Social Security and Railroad Retirement Tax (Letter 404C).</p>
<p>The taxpayer's wages don't exceed the wage base limit for the tax year</p>	<p>Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use fill-in: We disallowed your claim for excess Social Security withheld. Your wages don't exceed \$XXX,XXX. for tax year XXXX. In order to claim excess Social Security, you must have reported wages from more than one employer, your total wages must exceed the wage base limit, and the Social Security tax withheld must exceed the maximum amount required for the tax year.</p>

If ...	Then ...
The taxpayer's Social Security withheld doesn't exceed the maximum amount required for the tax year	Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use the fill-in: We've disallowed your claim for excess Social Security withheld. Your Social Security withheld doesn't exceed \$XXXX for tax year XXXX. In order to claim excess Social Security, you must have reported wages from more than one employer, and the Social Security tax withheld must exceed the maximum amount required for the tax year.

(5) If an adjustment is required:

- a. Verify the overpayment of Social Security/RRTA tax withheld based on Forms W-2.
- b. Use Credit Reference Number (CRN) 252 for an increase or decrease to excess Social Security and RRTA. Input CRN 252 with a minus (-) to reduce the previously allowed excess Social Security and RRTA tax. The CRN 252 generates a Transaction Code (TC) 766 or TC 767.

Note: If an error message is displayed, input "N" in the override field.

- c. Use Reason Code (RC) 055.

3.11.6.14.3.2
(02-06-2024)

**Estimated Tax Payments
(Line 13)**

- (1) Estimated tax payments are payments made by the taxpayer under certain conditions. The following isn't an all-inclusive list, but the payments may be recorded as TC 430, TC 660, TC 670, TC 710 or TC 716. Depending on the results of your IDRS research, you may need to use the CSI Tool to determine other payment types.
- (2) When making a determination on whether a payment is misapplied, you must look at the overall status of the account and how the payment(s) are being used. To help with your determination, perfect the return, see IRM 3.11.6.6, Master File Verification and Math Verification Screening. Once the return is perfected, compare your perfected line 13 figures with the payments on the module. Be sure to take into account any adjustment that's being made on the amended return then use the following table.

If ...	And ...	Then ...	
The payments don't match the amount claimed after perfecting the return		Follow normal processing procedures.	#
The payments don't match the amount claimed after perfecting the return		Send the case to AM.	#
There are payments posted	The module will be a zero-balance or balance due after the adjustment	Process following normal procedures.	
There are payments posted		Process following normal procedures.	#
There are payments posted		Send the case to AM	#

If ...	And ...	Then ...	
The taxpayer submits a payment with the amended return (TC 670)	The payment matches the adjustment	Process following normal procedures.	
The taxpayer submits a payment with the amended return (TC 670)	The module is in balance due after the adjustment	Process following normal procedures.	
The taxpayer submits a payment with the amended return (TC 670)	The remaining credit balance on	Process following normal procedures.	#
The taxpayer submits a payment with the amended return (TC 670)	The remaining credit balance on	Send the case to AM.	#
The estimated tax payment is the only issue	The total posted to the module matches the amount claimed	Input a TC 290 .00 and use RC 061.	
There are estimated tax (ES)		Send the case to your local RIVO. Input a CC ACTON history item "TO RIVO"	# # # #
OR			
from the module		Austin: 6574 AUSC Kansas City: 6574 S-2 KCSC Ogden: 9002 OSC Memphis: 6574 AUSC See IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening.	# #

3.11.6.14.4
(01-02-2024)

Earned Income Credit (EIC) - Line 14

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Send the case to AM if:
 - The Earned Income Tax Credit (EITC) is changing and there's a EITC Recertification indicator is present on IDRS
 - The taxpayer attaches a Form 8862, Information to Claim Certain Credits After Disallowance
 - Math Error Code 100, 653, 814, 815, or 816 is posted on IDRS
- (3) PATH Act criteria applies to this credit, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).

Note: The PATH Act applies to filing status changes only to the extent of any additional EITC claimed. The PATH Act doesn't allow the removal of EITC previously allowed due to a filing status change to married filing jointly unless initiated by the taxpayer.

- (4) A special rule applies for certain taxpayers affected by the disasters shown below. Qualified individuals whose earned income for the applicable tax year is less than the earned income in the preceding taxable year may elect to use

their preceding taxable year earned income when figuring EITC. Taxpayers must enter "PYEI," and the dollar amount of the prior year earned income on the dotted line for EITC.

The main home of qualified individuals must have been in:

- A federally declared disaster that occurred in 2018 or 2019, but before December 21, 2019.
- A federally declared disaster that occurred beginning January 1, 2020, but before February 26, 2021
- Hurricane Ida disaster after August 28, 2021

Note: Verify the taxpayer was in the qualified disaster area via the *IRS Disaster Assistance Program*. Change the category to "KATX" if adjusting.

- (5) As part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020, individuals whose earned income for tax year 2020 is less than the earned income for 2019 may elect to use their 2019 earned income when figuring EITC. Taxpayers must enter "PYEI," and the dollar amount of the prior year earned income on the dotted line for EITC. Taxpayers who also claim ACTC aren't required to follow the election they made when they figured EITC.
- (6) For tax year 2021, if earned income is less than the earned income for 2019, individuals may elect to use their 2019 earned income when figuring EITC. Taxpayers must enter "PYEI," and the dollar amount of the prior year earned income on the dotted line for EITC.
- (7) When the taxpayer figures EITC using PYEI, taxpayers must use the current year AGI.

3.11.6.14.4.1 (01-02-2024)

Earned Income Tax Credit (EITC) Eligibility Criteria

- (1) See IRM 21.6.3.4.2.7.1, EITC Eligibility Criteria, for eligibility.
- (2) Taxpayers may be eligible for the Earned Income Tax Credit (EITC) if the following apply:
 - a. To claim the EITC, the taxpayer, and spouse if filing jointly, must have valid SSNs. Any qualifying child claimed for EITC must be listed on *Schedule EIC* and the qualifying child must have a valid SSN in order to be taken into account for purposes of computing the credit. For TIN requirements, see IRM 3.11.6.4.4.2, TIN requirements for Exemptions and Credits, and IRM 21.6.3.4.2.7.3, Earned Income Tax Credit (EITC) - Social Security Number Requirements. For tax years 2021 and later, a taxpayer who does not qualify for the EITC unless they have a qualifying child (e.g., taxpayer does not meet age requirements for EITC without a qualifying child) should be allowed the EITC computed for a taxpayer without a qualifying child if they list a qualifying child on *Schedule EIC* who meets all of the requirements except the TIN requirement.

Exception: If a child was born and died in the same year, the taxpayer must follow certain rules when claiming the credit. The taxpayer must:

- Enter "Died" on *Schedule EIC*, line 2.
- Attach a copy of the child's birth certificate, death certificate, or hospital medical records showing a live birth.
- Enter "12" on *Schedule EIC*, line 6.

- b. The adjusted gross income (AGI) is less than the established limits in paragraph 3.
- c. Investment income isn't more than the established limits in paragraph 3.
- d. Earned income is at least \$1, but less than the established limits. Refer to IRM 3.11.6.14.1.1.1, Earned Income, when determining earned income.

Caution: In certain instances, taxpayers can use prior year earned income (PYEI). Refer to IRM 3.11.6.14.4, Earned Income Credit (EIC) -Line 14, for PYEI.

- (3) Refer to the following for adjusted gross income (AGI) and investment income limits:
 - IRM 21.6.3.4.2.7.6, Earned Income Tax Credit (EITC) - Adjusted Gross Income.
 - IRM 21.6.3.4.2.7.5, Earned Income Tax Credit (EITC) - Investment Income Limitation.
- (4) If the taxpayer's investment income is more than the designated limit, disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use the fill-in: **We've disallowed your claim for the Earned Income Tax Credit because your investment income is greater than \$XXXX.**
- (5) For tax years 2020 and prior, taxpayers with Filing Status (FS) 3, Married filing separately, are not eligible for the EITC.

If ...	And ...	Then ...
The taxpayer is changing to FS 3	EIC is already present on the module	Remove the EIC and input the adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.
The taxpayer is changing to FS 3	The taxpayer is making an initial claim for EIC	Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP) and use the fill-in: We disallowed your claim for the Earned Income Tax Credit because your Filing Status didn't meet the eligibility requirements.
The taxpayer is already FS 3	EIC is already present on the module	Send the case to AM as an erroneous refund per IRM 3.11.6.8, 1040-X Routing Guide.

If ...	And ...	Then ...
The taxpayer is already FS 3	The taxpayer is making an initial claim for EIC	Disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP) and use fill-in: We disallowed your claim for the Earned Income Tax Credit because your Filing Status didn't meet the eligibility requirements.

3.11.6.14.4.2
(01-03-2023)

**Taxpayer without
Qualifying Child(ren) on
Schedule EIC**

- (1) See IRM 21.6.3.4.2.7.1.1, Earned Income Tax Credit (EITC) - Taxpayer with No Qualifying Child/ren, for eligibility requirements.
- (2) If the taxpayer doesn't meet the eligibility requirements, disallow the claim and input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use the fill-in: **We've disallowed your claim for the Earned Income Tax Credit. To qualify for this credit, you must meet the age test, live in the United States for more than half the year, and not qualify as a dependent or qualifying child of another person.**

3.11.6.14.4.3
(01-02-2024)

**Taxpayer with Qualifying
Child(ren) on Schedule
EIC**

- (1) See IRM 21.6.3.4.2.7.1, Earned Income Tax Credit (EITC) - Eligibility Criteria, and IRM 21.6.3.4.2.7.1.2, Earned Income Tax Credit (EITC) - Taxpayer with Qualifying Child/ren, for eligibility requirements.

Reminder: The taxpayer's child doesn't have to be a dependent of the taxpayer in order for the taxpayer to claim the EITC.

Note: The Additional Child Tax Credit may have to be recomputed if the EITC is allowed and the taxpayer claimed three or more qualifying children for the Child Tax Credit. See IRM 3.11.6.14.5, Refundable Credits - Line 15.

- (2) If a child doesn't appear to meet the age requirements, don't assume the child is a student or disabled. The taxpayer must indicate the child meets the age test. If a qualifying dependent doesn't appear to meet the age test, send Letter 474C and use the fill-in: **We didn't allow part of your claim for Earned Income Tax Credit because a child you submitted doesn't appear to meet the age requirement. If your child meets this requirement as a student or disabled dependent, you must file a new Form 1040-X, Amended U.S. Individual Income Tax Return, and complete a new Schedule EIC.**

Note: If there are multiple children, input an adjustment for any child(ren) that meet all qualifications and send Letter 474C and use the fill-in: **We didn't allow part of your claim for the Earned Income Tax Credit because one or more of the children submitted don't meet the age requirement. In order to claim a student or disabled dependent, you must file a new Form 1040-X, Amended U.S. Individual Income Tax Return, and complete Schedule EIC.**

- (3) If a child doesn't appear to meet the relationship, residency, or joint return test disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use the fill-in: **We've disallowed your claim for the Earned Income Tax Credit because the qualifying person shown on Schedule EIC didn't meet either the relationship, residency, or joint return test requirements needed to claim this credit.**

Note: To verify Joint Return test, check IMFOLI for filing status. If FS2 in IMFOLI, see TXMOD.

- (4) If the taxpayer claims a kidnapped child, see IRM 21.6.3.4.2.7.2, Earned Income Tax Credit (EITC) - Kidnapped Child, for eligibility requirements.

3.11.6.14.4.4
(01-02-2025)

Adjusting the Earned Income Tax Credit (EITC)

- (1) When the taxpayer makes an initial claim for the Earned Income Tax Credit (EITC) or when adding a qualifying child, *Schedule EIC*, Earned Income Credit, must be attached. If missing correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

Exception: Schedule EIC isn't required when claiming the EITC for self and/or spouse only unless the taxpayer(s) would not be eligible for the credit without claiming a qualifying child.

- (2) Before allowing the EITC, verify the qualifying child(ren) name(s), date of birth and SSN(s) using CC DDBCK, CC INOLE and CC NAMES. If the qualifying child's SSN doesn't verify, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (3) Always math verify the EITC amount using either CC EICMP or the EIC AMS worksheet when there's a change to earned income, adjusted gross income (AGI), filing status, or dependents.

- (4) After calculating the allowable EITC:

If ...	Then ...	
The EITC amount matches taxpayer's figure	Continue processing the return.	
Caution: Don't exceed the maximum EITC per the table in paragraph 6 below.	Accept the taxpayer's figure and continue processing the return.	# #
The taxpayer's figure is less than the computed	Adjust the EITC amount using the computed figure. Don't correspond or set a math error.	#
The taxpayer's figure is greater than the computed	Adjust the amount to the computed EITC and set the math error per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.	#

- (5) The following is the maximum allowable EITC amounts. If the taxpayer's EITC amount exceeds the maximum allowable amount below, adjust to the computed amount to avoid an unpostable condition.

Tax Year	No children	1 child	2 children	3 or more children
2024	\$632	\$4,213	\$6,960	\$7,830
2023	\$600	\$3,995	\$6,604	\$7,430
2022	\$560	\$3,733	\$6,164	\$6,935
2021	\$1,502	\$3,618	\$5,980	\$6,728
2020	\$538	\$3,584	\$5,920	\$6,660

#

- (6) If the taxpayer has already received the EITC, input the adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment. Use fill-in: **We didn't allow the Earned Income Tax Credit because our records indicate that you previously received the credit as part of your original or amended return.**
- (7) EITC allowed on the original return posts as a computer-generated TC 768 with a minus after the amount.
- (8) Update the DUPOL database using CC DDBCK prior to making any adjustments when:
- Adding or deleting a qualifying child for the EITC
 - Increasing the EITC

Exception: Don't update when the EITC increase is due to additional Form W-2, or when working EITC Non-TIN related math error responses except for ME 653. SP is now working TIN related math errors. TIN related math error codes include 604, 610, 605, 654, 667, 701, 702, 741, 743, 745 and 748.

Note: If the DDBCK response states that the child failed validation (other than an invalid TIN/Name issue), send the case to AM.

- (9) When making an adjustment to the EITC:
- RC 053
 - CRN 764 for increases
 - CRN 765 for decreases

Note: Priority code "8" is required when a TC 764 is input with TC 29X and there's a prior posted TC 29X (except a previously posted TC 290 with priority code 6 or a TC 290 with Julian Date 999). Use priority code "1" if both priority code "1" and "8" are required to adjust the account. Example: An account with a -L freeze that's processable and the conditions above would require priority codes "1" and "8" and therefore "1" would be used.

3.11.6.14.5
(01-01-2022)
**Refundable Credits -
Line 15**

- (1) A refundable credit isn't limited by the amount of tax owed. If total credit(s) or payment(s) exceed the tax liability, the excess is refundable.
- (2) The following subsections provide processing instructions for refundable credits:
 - *Schedule 8812*, Credits for Qualifying Children and Other Dependents
 - Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits)
 - Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains
 - Form 4136, Credit for Federal Tax Paid on Fuels
 - Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals
 - Recovery Rebate Credit
 - Form 2441, Dependent Care Credit.
- (4) If the taxpayer claims a non-refundable credit on line 15 of Form 1040-X, move the amount to line 7. See IRM 3.11.6.14.2.2, Nonrefundable Credits - Line 7.
- (5) The taxpayer may request all or a portion of their overpayment be credited to the subsequent tax year as an estimated payment. See IRM 3.11.6.14.6.2, Credit Elect (Line 23).

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3.11.6.14.5.1
(02-26-2024)
**Schedule 8812,
Additional Child Tax
Credit (ACTC)**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
Note: If there's a math error on the account for CTC or ACTC, send the case to AM, not CAT-A
- (2) Send the case to AM if:
 - There's a change to ACTC and a ACTC Recertification Indicator is present on IDRS.
 - The taxpayer attaches Form 8862, Information to Claim Certain Credits After Disallowance.
 - The taxpayer indicates a religious (e.g., "Amish," "Mennonite," or Form 4029) or conscience-based objection to obtaining a TIN.
- (3) Path Act criteria applies to this credit. See IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (4) See IRM 21.6.3.4.2.8, Additional Child Tax Credit (ACTC), for eligibility.
- (5) For tax years 2021 and later, Schedule 8812 is required. If missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (6) For Tax years 2020 and prior, Schedule 8812 is required when the taxpayer has 3 or more qualifying children. If a taxpayer fails to submit a Schedule 8812 when required, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (7) To qualify for the ACTC, the taxpayer must meet the qualifications for the CTC in IRM 3.11.6.14.2.2.6, Child Tax Credit (CTC). If the taxpayer doesn't meet all of the criteria, disallow the claim. Input the adjustment per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
- (8) If a taxpayer (or the spouse if married filing jointly) received non-taxable combat pay, they must include the amount in figuring their earned income when figuring the ACTC.
- (9) If ACTC is changing, math verify the taxpayer's figure by completing the AMS worksheets.

If ...	And ...	Then ...	
The allowable ACTC matches taxpayer's figure		Continue processing the return.	
The allowable ACTC doesn't match taxpayer's figure	of the allowable ACTC	Accept the taxpayer's figure and continue processing the return.	#
The allowable ACTC doesn't match taxpayer's figure	The taxpayer's figure is greater than	Adjust the ACTC for the correct amount and set the math error per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.	#
The allowable ACTC doesn't match taxpayer's figure	The allowed ACTC is greater than more (taxpayer is due more ACTC)	Adjust the ACTC amount using your recomputed figure. Don't correspond or set a math error.	#

Note: Recompute the ACTC if there's a change to other non-refundable credits impacting the amount of CTC allowed.

- (10) Update the DUPOL database per IRM 3.11.6.13.3, Updating the Duplicate Taxpayer Identification Number (TIN) OnLine (DUPOL) Database, prior to making any adjustment.
- (11) When adjusting the credit:
 - Use CRN 336 to increase the credit
 - Use CRN 336 with a minus (-) to decrease a previously posted credit
 - Use RC 061

3.11.6.14.5.1.1
(01-02-2024)
**Schedule 8812,
Refundable Child Tax
Credit (Tax Year 2021)**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) The taxpayer must check line 13 Box A of *Schedule 8812*, Credits for Qualifying Children and Other Dependents, for the credit to be refundable.

Reminder: If Box B is checked, send the case to International.

- (3) If Box A isn't checked, and the taxpayer is claiming the credit as fully refund-

able, input a corrected adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

Exception: If the taxpayer has also claimed Form 2441, Child and Dependent Care Expenses, with Box B checked, correspond using the appropriate missing information letter. When corresponding use the fill-in: **We're unable to process your amended return. Please clarify the residency question(s) on Form 2441, Child and Dependent Care Expenses, and Schedule 8812, Credits for Qualifying Children and Other Dependents.**

- (4) Math verify the taxpayer's figures by completing the appropriate AMS worksheet(s).
- (5) To adjust the credit:
 - Input a TC 290 .00, if no other adjustment is required.
 - Use credit reference number 336 to adjust the credit.
 - Use RC 061.

3.11.6.14.5.2
(01-02-2025)

**American Opportunity
Tax Credit (AOTC)
Refundable Portion**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) PATH Act criteria applies to this credit, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (3) Send the case to AM if:
 - There's a change to the AOTC and the AOTC Recertification indicator is present.
 - Form 8862, Information to Claim Certain Credits After Disallowance, is attached.
- (4) For claims involving the non-refundable portion of the American Opportunity Tax Credit, see IRM 3.11.6.14.2.2.3, Form 8863, Education Credits, and IRM 3.11.6.14.2.2.3.2, American Opportunity Tax Credit (AOTC) - Non-refundable.

Caution: When reviewing CC IRPTR to verify the 1098-T information to determine the enrollment status and "NO CHG IN REPORTING METHOD FROM PREV YR" is present, check the previous year(s).

- (5) The refundable portion of AOTC begins to phase-out when the modified adjusted gross income (MAGI) is between the following:

Filing Status	2024	2023	2022	2021	2020
MFJ (FS 2)	\$160,000 - \$180,000	\$160,000 - \$180,000	\$160,000 - \$180,000	\$160,000 - \$180,000	\$160,000 - \$180,000
All others (FS 1, 4 or 5)	\$80,000 - \$90,000	\$80,000 - \$90,000	\$80,000 - \$90,000	\$80,000 - \$90,000	\$80,000 - \$90,000

The credit is phased out by:

- 5 percent for every \$1,000 that exceeds the threshold amount for FS 2.

- 10 percent for every \$1,000 that exceeds the threshold amount for FS 1, 4 or 5.

Note: If the taxpayer doesn't phase-out AOTC, when required, disallow the exceeded amount. See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

- (6) When adjusting the refundable portion of the credit
 - a. Use CRN 260 to increase or decrease the credit amount.
 - b. Use RC 106

3.11.6.14.5.3
(01-09-2023)

Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains

- (1) Frivolous criteria may apply. Refer to IRM 3.11.6.7.12, Frivolous Claims Screening.
- (2) See IRM 21.6.3.4.2.5, Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, for eligibility and processing instructions.

per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

- (4) Loose Form 2439, Copy A or B may be received. If "NOMINEE" isn't noted at the top of the form:

If the Shareholder's name is a ...	Then ...
Taxpayer	Input TC 290 for .00 and use RC 057.
Company	Send the case to AM.

#

3.11.6.14.5.4
(01-01-2022)

Form 4136, Credit for Federal Tax Paid on Fuels

- (1) Frivolous criteria may apply. Refer to IRM 3.11.6.7.12, Frivolous Claims Screening.
- (2) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (3) See IRM 21.6.3.4.2.6, Form 4136, Credit for Federal Tax Paid on Fuels, for eligibility criteria.
- (4) If Form 4136, Credit for Federal Tax Paid on Fuels, is required and is missing, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (5) If Form 4136, Credit for Federal Tax Paid on Fuels, is present, process using RC 061 and the CRNs on Form 4136. Include priority code 8 when making an adjustment.
- (6) If Form 4136, Credit for Federal Tax Paid on Fuels, is missing and under tolerance, process using RC 061 and CRN 362. Include priority code 8 when making an adjustment.

- (7) The Fuel Tax Credit posts as a CRN 450. Use the CRN from the Form 4136 to adjust the credit. Don't use CRN 450.

3.11.6.14.5.5
(01-02-2024)

**Premium Tax Credit
(PTC), Form 8962**

- (1) Send the case to AM if:
- Form 8962 is being added, deleted, or changed, unless the entire return is a true duplicate. See IRM 3.11.6.6.1, Duplicate Returns and Identical Open CII Cases.
 - Form 1040-X line 6 is being increased/decreased and write-in reflects "APTC Repayment" or similar.
 - PTC/APTC is present on CC TXMOD or CC IMFOL, as shown in the table below, and there are changes to adjusted gross income (AGI), filing status, or the taxpayer is changing the size of their tax household. (i.e., adding or deleting an exemption claimed on their return).
 - APTC data is indicated through Coverage Data Repository (CDR) research when adding an exemption.
 - Form 1095-A is submitted with an amount(s) in Part III Column C.

Note: PTC allowed on the original return posts as TC 766 with CRN 262. Posted PTC associated data can be identified by the following data elements:

Data Element	CC TXMOD	CC IMFOL
Advance Premium Tax Credit	ADV PTC AMT	TOTAL APTC
Total Premium Tax Credit	PTC AMT	TOTAL PTC
Excess APTC Repayment	PTC LIAB AMT	APTC REPMT
Excess Advance Payment Above Limitation	PTC LIMITATION AMT	LIMIT AMT

- (2) Notate "PTCX" in the working trail when routing the amended return due to PTC or APTC impact.

3.11.6.14.5.6
(01-09-2023)

**Economic Impact
Payments (EIP)**

- (1) Send all tax year 2019 Amended EIP returns to AM.

Note: Taxpayers are instructed to notate "Amended EIP Return", but other indications might be present in the explanation of changes or attached statement. IDRS may show a TC 150 for .00 with:

- \$1 of taxable interest income
- \$1 total income
- \$1 AGI

- (2) See IRM 21.6.3.4.2.13, Economic Impact Payments, for eligibility criteria.
- (3) To identify an EIP, see IRM 21.6.3.4.2.13.1, Economic Impact Payments - Account Information.
- (4) Taxpayers that didn't receive the full amount of their EIP may claim the difference as the Recovery Rebate Credit (RRC) on their tax year 2020 or 2021 return.

3.11.6.14.5.7
(01-02-2024)

Recovery Rebate Credit (RRC) - Tax Years 2020 and 2021 Only

- (1) If IRS records show that an EIP was issued, but the taxpayer indicates they didn't receive the EIP, send the case to AM.
- (2) Refer to IRM 21.6.3.4.2.14, Recovery Rebate Credit, for eligibility criteria and credit amounts prior to adjusting the credit.
- (3) When researching the account to determine if an EIP was issued, refer to IRM 21.6.3.4.2.13.1, Economic Impact Payments - Account Information.
- (4) If eligibility for the RRC isn't met, disallow the claim, see IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and use the fill-in: **We disallowed your claim for the Recovery Rebate Credit because you didn't meet the eligibility requirements.**
- (5) Changes to the RRC must be math verified. Use the Recovery Rebate Credit AMS worksheet when math verifying the credit.
- (6) When adjusting the RRC, use CRN 256 and RC 096.

3.11.6.14.5.8
(05-09-2023)

Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals - Tax Years 2020 and 2021 Only

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) Send the case to AM if there's an indication that:
 - SE Tax is based on a partnership
 - *Schedule H* is present, attached, or mentioned
 - The taxpayer received wages from ministerial duties, is a minister
 - Form 4361, Application for Exemption From Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners, is attached or mentioned
- (3) See IRM 21.6.3.4.2.15, Credits for Sick Leave and Family Leave, for eligibility and processing instructions. If paragraph 6 of IRM 21.6.3.4.2.15, Credits for Sick Leave and Family Leave, applies, route the case to AM.
- (4) If Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals, isn't attached or incomplete, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- (5) When instructed to disallow the claim, see IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
- (6) When adjusting the Form 7202 credit(s):
 - Use CRN 299 for wages paid 4/1/20 - 3/31/21
 - Use CRN 271 for wages paid 4/1/21 - 9/30/21
 - RC 061

3.11.6.14.5.8.1
(05-09-2023)

Credit for Qualified Sick and Family Leave Wages - Tax Year 2022

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) For 2022 the Credit for Qualified Sick and Family Leave Wages is a Schedule H credit and can be found on Schedule 3. If the credit is changing, send the case to AM.

3.11.6.14.5.9
(01-03-2023)

**Refundable Child and
Dependent Care Credit -
Tax Year 2021**

- (1) Screen the case for CAT-A criteria. Refer to IRM 3.11.6.7.15, Category A (CAT-A) Criteria Screening.
- (2) The Child and Dependent Care Credit is refundable for tax year 2021 only. The maximum credit amount for one qualifying person is \$4,000 (\$8,000 for two or more qualifying people).
- (3) Refer to IRM 3.11.6.14.2.2.1, Form 2441, Credit for Child and Dependent Care Expenses, for eligibility.
- (4) The taxpayer must check Box B of Form 2441, Child and Dependent Care Expenses, for the credit to be refundable.
- (5) If Box B isn't checked, and the taxpayer is claiming the credit as refundable, input a corrected adjustment per IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

Exception: If the taxpayer has also claimed *Schedule 8812*, Credits for Qualifying Children and Other Dependents, with line 13 Box A is checked, correspond using the appropriate missing information letter. When corresponding, use the fill-in: **We're unable to process your amended return. Please clarify the residency question(s) on Form 2441, Child and Dependent Care Expenses, and Schedule 8812, Credits for Qualifying Children and Other Dependents.**

- (6) Math verify the taxpayer's figures by completing the appropriate AMS worksheet(s).
- (7) To adjust the credit:
 - Input a TC 290 .00, if no other adjustment is required.
 - Use credit reference number 273 to adjust the credit.
 - Use RC 061.

3.11.6.14.6
(01-05-2023)

**Overpayment Amount
on This Amended
Return (Line 21)**

- (1) Taxpayers use line 21 of Form 1040-X to record the overpayment amount (refund) created by the amended return.

3.11.6.14.6.1
(01-02-2024)

Direct Deposit

- (1) Starting February 5, 2023, direct deposit is available on certain electronically filed amended returns for tax years 2021 and subsequent.
- (2) If an MEFP case with Form 8888, Allocation of Refund (Including Savings Bond Purchases), is attached and Part II or III are completed, send the case to AM.
- (3) IRN 872 must be input on all MEFP refund returns with or without direct deposit request.

Caution: If working a case where two adjustments are required because there are more IRNs and Credit Reference Numbers (CRN) than there are fields available, IRN 872 must be input on the first adjustment. Refer to IRM 3.11.6.14, Specific IMF Adjustments, when multiple adjustments are input.

- (4) When processing a case with a direct deposit request, follow the table.

If working a ...	And ...	Then ...
MEFP case	The return results in a refund	Include IRN 872 with the refund amount from the adjustment. Reminder: When inputting IRN 872, the input screen must be edited until xMend. Refer to paragraph 3 above.
MEFP case	The return doesn't result in a refund	Process as normal.
MEFS case	Form 8888 is attached	Send Letter 474C. Caution: If the amended return is a balance due or zero-balance don't correspond.
MEFS case	Taxpayer requests direct deposit in the remarks area of Form 1040-X.	Send Letter 474C. Caution: If the amended return is a balance due or zero-balance don't correspond.
MEFS case	Taxpayer requests direct deposit on attached correspondence	Send Letter 474C. Caution: If the amended return is a balance due or zero-balance don't correspond.

- (5) If a correction to IRN 872 is needed and the CC TERUP timeframe has lapsed, take the following action:

- a. Input a TC 290 for .00
- b. Use RC 199
- c. Use HC 3
- d. IRN 872 for the correction amount.

Example: If the previous IRN 872 amount of \$500.00 is incorrect and should have been \$200.00, then input IRN 872 for 300.00- to correct the direct deposit information.

3.11.6.14.6.2
(01-02-2025)

Credit Elect (Line 23)

- (1) A "credit elect" occurs when the taxpayer requests to have all or a portion of their refund from Form 1040-X credited as an estimated tax (ES) payment to a succeeding tax year. Taxpayers request a credit elect by either entering an amount on line 23 (Amount you want applied to your (enter year) estimated tax) of Form 1040-X, or in a written statement.

Caution: Any attempt to transfer more than the available credit manually results in an unpostable condition.

- (2) If the taxpayer requests to skip a consecutive tax year (e.g., 2024 to 2026) send the case to AM.
- (3) During “Dead Cycles” the IAT Credit Transfer tool is unavailable, suspend the case until after the dead cycles. For Dead Cycles, see IRM 3.30.123.4.7, Dead Cycles - A Week Counter.
- (4) If the taxpayer is making a credit elect request and has a tax liability on another tax year or requests to transfer the credit to a prior year, the computer automatically offsets the correct amount and send a notice to the taxpayer explaining the offset. If the credit elect amount on Form 1040-X is larger than the outstanding tax liability, transfer only the remaining credit amount. If not, continue processing the return.

Note: An outstanding tax liability can be identified by an amount next to “TOTAL MOD BALANCE” field on IMFOLI.

- (5) If the taxpayer requests a credit transferred to a full paid module, continue processing the return and input the credit transfer.
- (6) If the taxpayer is requesting a credit transfer larger than the refund from the adjustment, transfer only the amount that is available and correspond with the taxpayer explaining the difference in amounts. Send Letter 474C and use the fill-in: **We didn’t apply the full amount of your credit to your tax for 20XX, because your refund of \$X,XXX.XX is less than the amount requested for transfer.**
Or
We didn’t apply a credit to your tax for 20XX, because your amended return didn’t result in a refund.

Note: If the taxpayer has a balance due on Form 1040-X, don’t transfer any amount.

- (7) If the taxpayer is getting a refund larger than expected, transfer only the requested credit elect amount from the amended return.
- (8) For the most recent Tax Year with a posted TC 150, check CC TXMOD/IMFOL for the “UNAPPLD-CR-ELECT” amount.

If line 23 of Form 1040-X is ...	Then ...
Equal to the UNAPPLD-CRELECT amount	<ol style="list-style-type: none"> 1. Don’t input Credit Elect. 2. Continue processing the rest of the return. 3. Use RC 099.
Less than the UNAPPLD-CRELECT amount	<ol style="list-style-type: none"> 1. Don’t input Credit Elect. 2. Continue processing the rest of the return. 3. Use RC 099.

If line 23 of Form 1040-X is ...	Then ...
Greater than the UNAPPLD-CR-ELECT amount or	<ol style="list-style-type: none"> 1. Input the adjustment and include a Hold Code "1" to prevent an erroneous refund. Use RC 099. 2. Move the credit using the IAT Credit Transfer Tool.
The UNAPPLD-CR-ELECT field isn't displayed	<ol style="list-style-type: none"> 1. Input the adjustment and include a Hold Code "1" to prevent an erroneous refund. Use RC 099. 2. Move the credit using the IAT Credit Transfer Tool.

- (9) To process the credit transfer, first input the Form 1040-X adjustment. Then process the transfer using the IAT "Credit Transfer Tool" from CC TXMODA of the adjustment to transfer the credit to the year requested.

1. In the Post Credit To (module) section:
 - Enter the tax year receiving the transfer.
 - Click continue.
2. In the Transferable Credit section:
 - Click the CR Elect button.
3. In the Post Credit as section:
 - The TC field must be 710.
 - The Db Date field use the credit availability date. see IRM 3.11.6.14.6.2.1, Credit Elect Availability Dates.
 - The Cr Date field use the credit availability date. See IRM 3.11.6.14.6.2.1, Credit Elect Availability Dates.
 - In the Amt\$ field enter the amount being transferred using this credit availability date.

Caution: The tool automatically populates the total amount of credit available which must be changed if the taxpayer is requesting only a portion of their refund as a credit elect.

4. In the Post Credits With section:
 - The CII Id field populates automatically when working a CII case.
 - Use "SD 1040X" in the Remarks field.
5. In the Control section:
 - Enter the Received Date in the RCVD Dt field.
 - Enter MISC in the Cat field.
 - Click the Transfer button.
6. Review the CC DRT48 screen for accuracy and transmit if correct.

Reminder: If you need to TERUP a credit elect, you must TERUP the transfer on both tax years.

- (10) A "credit elect" can be recognized by TC 836 on the current year's module and TC 716 on the following year's module.
- (11) If the taxpayer requests to reverse a previous "credit elect" to either be applied to the balance owed on Form 1040-X or to be refunded and:

If the taxpayer ...	And ...	Then ...
Files a superseding return (see IRM 3.11.6.4.5.2, Superseding Returns) or meets the criteria in number (12) below	Requests the previous credit elect to pay the balance due on the amended return	<ol style="list-style-type: none"> 1. Input the adjustment and include a Hold Code 1 to prevent an erroneous refund. 2. Move the allowable amount using the IAT Credit Transfer Tool.
Files a superseding return (see IRM 3.11.6.4.5.2, Superseding Returns) or meets the criteria in number (12) below	Requests a refund of the previous credit elect	<ol style="list-style-type: none"> 1. Input the adjustment without a Hold Code. 2. Move the allowable amount using the IAT Credit Transfer Tool. <p>Note: If the taxpayer is only requesting the credit elect be refunded, then move the allowable amount using the IAT Credit Transfer Tool and input a TC 290 .00.</p>
Doesn't file a superseding return		<ol style="list-style-type: none"> 1. Continue processing the return. 2. Send Letter 247C 3. Don't input the Credit Transfer.

- (12) To process a credit elect reversal, the request must be received before the return for the credit year has posted and before March 1, of the year following the year to which the credit was applied.

Example: A request to reverse a credit elect from a 2024 account back to the 2023 account must be received before the 2024 return has posted and by March 1, 2025.

Requests received after March 1 with remarks that state the taxpayer or IRS made an error must be sent to AM.

3.11.6.14.6.2.1
(04-08-2024)

Credit Elect Availability Dates

- (1) Credit Elect requests require specific date(s) be used in the IAT Credit Transfer Tool for the Debit (Db) and Credit (Cr) date. Using the wrong date may affect the taxpayer's interest.
- (2) The availability date of an amended return's overpayment is determined by the payment(s) and/or credit(s) of which it is comprised. If your adjustment creates a credit balance comprised of one or more of the following:

- Prepaid credits - Withholding, EIC, ACTC, AOTC, or other refundable credits always post with the return's due date without regard to any extension or when the return was filed.

Example: EIC on a 202312 return will always have April 15, 2024.

Exception: The due date for TY 2020 tax returns has been postponed

#

Exception: According to Notice 2020-23, the due date for TY 2019 tax

#

- Payments TC 610, TC 640 and/or TC 670 post with the date they are due date it's considered as available on the return due date.

#

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(3) A tax module’s credit balance can be comprised of multiple credits or payments and more than one availability date may be needed. Use the following chart to determine the order of payments and/or credits to transfer and the availability date(s).

If the entire credit balance of the credit elected is comprised of ...	Then ...
Prepaid credits or payments	Use the due date of the return, April 15, 20XX. Exception: Notice 2020-23, postponed the due date for TY 2019 tax returns has been postponed to July 15, 2020.
	Use the payment posting date.

#

#

If the entire credit balance of the credit elected is comprised of ...	Then ...
Combination of Prepaid Credit(s) or Payments made the due date	<p>Multiple Transfers are required, start with:</p> <ol style="list-style-type: none"> 1. The most recent payment, use the payment posting date. 2. The next most recent payment, if any, using that payments posting date. 3. Lastly move the Prepaid credits and/or payments made by the <p>Example: You have a 20XX XRET with a \$950.00 Credit Elect and the module has a \$200.00 TC 670 payment dated June 15, 20XX; a \$150.00 TC 670 dated May 10, 20XX, and \$600.00 of timely credits. Input the first Credit Elect for \$200.00 using 061520XX; a second Credit Elect for \$150.00 using 051020XX, and a third Credit Elect transfer for \$600.00 using 041520XX.</p> <p>Example: You have a 2015 XRET with a \$1,000.00 Credit Elect and the module has a \$200.00 TC 670 payment dated July 20, 20XX; a \$1,500.00 TC 670 dated May 10, 20XX. Input the first Credit Elect for \$200.00 using 072020XX, and a second Credit Elect for \$800.00 using 051020XX.</p>

#

Reminder: All tax liabilities must be satisfied prior to initiating the credit elect.

- (4) Always use the same date for the Debit date (TC 830) and Credit date (TC 710).

3.11.6.15
(06-04-2019)

**Individual Master File
(IMF) Processing Codes**

- (1) The following subsections give an explanation of each of the different code types used when processing amended returns and their purpose.

3.11.6.15.1
(02-26-2024)

**Integrated Data Retrieval
System (IDRS) Freeze
Codes**

- (1) Some IDRS Freeze codes require routing or special handling. For definitions of various Freeze Codes or Transaction Codes, refer to Document 6209, IRS Processing Codes and Information, or IRM 21.5.6, Freeze Codes.
- (2) The table below lists the common freeze codes used in Submission Processing. The complete list of these codes is contained in Document 6209, IRS Processing Codes and Information.

Freeze Code	Description	Action
-A	Duplicate Return	Send the case to AM if there's an open control base of DUPF; otherwise, continue to process the return.

Freeze Code	Description	Action
-C	Combat Zone	See IRM 3.11.6.16.4, Combat Zone.
- D	RSED Expired	Suspend the case to Statute.
E-	Amended Return	Follow TC No 150 instructions. Refer to IRM 3.11.6.5.1 (8), Transaction Code (TC) 150 Research (No TC 150), for E-freeze instructions.
-E	Compliance, Return Integrity Compliance Services (RICS), or Frivolous Return Program	See IRM 3.11.6.7.12, Frivolous Claims Screening.
F-	Frivolous Return Received	Send the case to FRP. See IRM 3.11.6.7.12, Frivolous Claims Screening.
-G	Original Return which contains a math error code	See IRM 3.11.6.16.6, Math Error Response Cases.
G-	Restricted Failure To Pay Penalty	Send the case to AM.
-I or I-	Restricted Credit/Debit Interest	Send the case to AM.
-J	Unsubstantiated ME Tax Protest	Send the case to AM.
J-	Excess Estimated Tax Credit Freeze	Send the case to AM.
-K	Refund/offset is being held as the result of hold code 1, 2 or 4	Send the case to AM.
-L	AIMS Indicator	See IRM 3.11.6.7.11, Examination Case Screening.
M-	TC 370/400 MFT 31/No-Merge	Send the case to AM.
-O or -S	Disaster Claim	See IRM 3.11.6.16.2, Processing a Disaster Claim.
P-	Refund Cancellation	<ul style="list-style-type: none"> Net balance due workable. Net refund, send the case to AM.
-Q	Unallowable Refund	Send the case to AM.
-R	Credit Balance	Process normally. Reminder: Check for RIVO and ID Theft indicators. If a TC 971 AC 122 is on the account or a 4800C is attached or mentioned see IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening.
S-	Undelivered Refund Check	Send the case to AM.
T-	TDA Status	See IRM 3.11.6.7.19.3.1, Compliance Services Collection Operations (CSCO) Screening.

Freeze Code	Description	Action
-U	Erroneous Refund	Send the case to AM.
-V	Bankruptcy Freeze	Send the case to AM.
-W	Litigation Pending Freeze	Send the case to AM. Note: A -W freeze set by a TC 520 takes priority over other freeze codes.
-Y	Offer in Compromise	Collection. See IRM 3.11.6.7.19.3.3, Offer In Compromise (OIC) Screening.
Y-	Audit Adjustment	Send the case to AM.
-Z or Z-	Refund Scheme	SDC. See IRM 3.11.6.7.13, Criminal Investigation (CI) Scheme Development Center (SDC) Screening. Exception: If the tax module shows Project Code 0173, 0263, 0390, 0584, 0603, or 0611, send the case to CAT-A regardless of the claim amount.

3.11.6.15.2
(07-22-2024)

**Integrated Data Retrieval
System (IDRS)
Transaction Codes**

- (1) Some IDRS Transaction Codes require routing or special handling. For definitions of various Transaction Codes, refer to Document 6209, IRS Processing Codes and Information, or IRM 21.5.6, Freeze Codes.
- (2) The table below lists the common transaction codes used in Submission Processing. The complete list of these codes is contained in Document 6209, IRS Processing Codes and Information.

Transaction Codes	Action
TC 140 is present	See IRM 3.11.6.12.1.2.1, Filing Status 2 Changes.
TC 160 - 162	Send the case to AM.
TC 170	See IRM 3.11.6.16.8, Estimated Tax Penalty.
TC 300 - 361 (TC 300 is most commonly used)	Send the case to AM Exception: If an -L freeze or TC 420 is present, see IRM 3.11.6.7.11, Examination Case Screening.
TC 420 and no 421	See IRM 3.11.6.7.11, Examination Case Screening.
TC 420 and 421 with no TC 300	Continue processing.

Transaction Codes	Action
TC 424 and 425 with no TC 300	Continue processing.
TC 424 (with no TC 425)	See IRM 3.11.6.7.11, Examination Case Screening.
TC 480 and 780 (with a -Y freeze)	See IRM 3.11.6.7.19.3, Collection Function Case Screening.
TC 520 (without a TC 521 or 522)	Send the case to AM.
TC 520 with a 521 or 522	Continue processing.
TC 576 (without a TC 577)	Send the case to AM.
TC 576 with a posted TC 577	Continue processing.
TC 582	Continue processing.
TC 594	See IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150).
TC 810	See IRM 3.11.6.7.12, Frivolous Claims Screening.
TC 841 without a subsequent 846	Send the case to AM.
TC 885	Send the case to AM.
TC 896 (relating to MFT 29)	Send the case to AM.
TC 904	See IRM 3.11.6.5.4, Form 1040-X without Form 1040 Attached (No TC 150).
TC 914, 916 or 918 without subsequent 912, 915, 917 or 919	See IRM 3.11.6.7.13, Criminal Investigation (CI) Scheme Development Center (SDC) Screening.
TC 922	See IRM 3.11.6.7.16, Automated Underreporter (AUR) Screening.
TC 970 AC 001	Direct Deposit.
TC 971 AC 111	See IRM 3.11.6.7.9 Identity Theft (IDT) Screening.
TC 971 AC 137 with a filing status change	See IRM 3.11.6.12.1, Entity Changes.
TC 976 or 977	Continue processing.

3.11.6.15.3
(01-02-2024)

**Transaction Codes (TC),
Item Reference Numbers
(IRN), and Credit
Reference Numbers
(CRN)**

- (1) A Transaction Codes (TC), Item Reference Numbers (IRN), and Credit Reference Numbers (CRN) are a three-digit code input in the CC ADJ54 screen that refer to specific area on an amended return.
- (2) IRN 888, Adjusted Gross Income, is the only amount that can be reduced below zero. Reducing any other amount creates an unpostable condition.
- (3) The following are codes used when processing amended returns. See the specific IRM subsection(s) for adjustment instructions.
 - a. Income and deductions codes.

If the adjusting the ...	Then use ...
Adjusted Gross Income	IRN 888
Taxable Income	IRN 886

b. Nonrefundable Credit Tax Liability

If the adjusting the ...	Then use ...
Schedule 8812, Credits for Qualifying Children and Other Dependents.	IRN 820 (Nonrefundable CTC tax year 2023 and later)
Form 8907, Non-Conventional Source Fuel	CRN 883
Form 6478, Biofuel Producer Credit.	CRN 884
Form 8864, Biodiesel & Renewable Diesel Fuels.	CRN 884
Self-Employment (SE) Tax	IRN 889
Primary SE Social Security	IRN 878
Primary SE Medicare	IRN 895
Secondary SE Social Security	IRN 879
Secondary SE Medicare	IRN 896
SE Tax Deferment	CRN 280
Excess Advance Child Tax Credit (CTC) computer Note: The Advance CTC IRNs are valid for tax period 202112 - 202211.	IRN 817
Advance CTC Repayment Computer Reminder: The Advance CTC IRNs are valid for tax period 202112 - 202211.	IRN 818 Note: Reason Code 221 is valid for adjustments input with IRN 818 to MFT 30. However, RC 221 isn't required with IRN 818 due to space limitation.
Advance CTC Limitation amount (write-off) Reminder: The Advance CTC IRNs are valid for tax period 202112 - 202211.	IRN 819
Total Tax Liability	TC 290 or 291

c. Payments and refundable credit codes

If the adjusting the ...	Then use ...
Federal Income Tax Withheld.	CRN 806 or 807
Excess Social Security Tax	CRN 252
Railroad Retirement Tax Act	CRN 252

If the adjusting the ...	Then use ...
Schedule, Earned Income Tax Credit	CRN 764 or 765
Schedule 8812, Credits for Qualifying Children and Other Dependents.	CRN 336
Form 2441, Child and Dependent Care Expenses	CRN 273
Form 2439, Notice to Shareholder of Undistributed Long-term Capital Gains.	CRN 766 or 767
Form 4136, Credit for Federal Tax on Fuels.	Use the CRN on Form 4136 if attached. Use CRN 362 if not attached.
Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits).	CRN 260
Recovery Rebate Credit (RRC)	CRN 256
Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals	Use CRN 299 wages paid 4/1/20 - 3/31/21. Use CRN 271 for wages paid 4/1/21 - 9/30/21

d. Direct deposit and estimated tax payments

If the adjusting the ...	Then use ...
Direct Deposit	IRN 872
Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts.	TC 170 or 171

3.11.6.15.4
(01-02-2024)

Source Codes (SC)

- (1) The source code (SC) selection designates which opening statement is used on a taxpayer's notice.
- (2) Enter a "1" for the SC, except when setting a math error. When setting a math error, use "6." When correcting a math error use "2."

Source Code	Literal
0 or Blank	None - no notice generated.
1	As you requested, we changed your account for (YYYYMM) to correct your (RC).
2	We changed your (YYYYMM) account to correct your (RC). Note: Use source code 2 when correcting math errors.
6	You made a mistake on your (YYYYMM) account. We corrected the error when we adjusted your (RC).

3.11.6.15.5
(01-02-2025)

Reason Codes (RC)

- (1) Taxpayers receive a notice of adjustment when an action is taken on their account. The Reason Code (RC) designates the end of the statement that is printed on the notice. The RC must describe the area(s) of the return affected by the adjustment action. For audit trail purposes, enter reason codes on inputs. You may use up to three reason codes.

Exception: Reason codes aren't required for a ripple effect change or when directed not to use one by the IRM.

- (2) The fourth reason code position on CC ADJ54 is reserved for penalty reason codes. See IRM 3.11.6.16.8, Estimated Tax Penalty.
- (3) The reason code table below, lists the common reason codes used in Submission Processing and the line reference number.

Reason Code	Adjustment Item
001	Change Filing Status to Single.
002	Change Filing Status to Married Filing Jointly.
003	Change Filing Status to Married Filing Separate.
004	Change Filing Status to Head of Household.
005	Change Filing Status to Qualifying Surviving Spouse with dependent Child(ren).
007	Income For Wages, Salaries, Tips, Etc. <ul style="list-style-type: none"> • Bonus (W-2/Wage related) • Dependent Care Benefits • Disability • Employer Provided Education Asst. (IRC 127) • Form Wages • Grant (Form W-2) • Scholarship (Form W-2) • Third-Party Sick Pay • Salary Deferrals
008	Interest And/or Dividend Income <ul style="list-style-type: none"> • Form 1099-DIV, Dividends and Distributions • Form 1099-INT, Interest Income • Form 1099-OID, Original Issue Discount • Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989 • <i>Schedule B</i>, Interest and Ordinary Dividends • <i>Schedule K-1 (Form 1041)</i>, Beneficiary's Share of Income, Deductions, Credits, etc. • <i>Schedule K-1 (Form 1065)</i>, Partner's Share of Income, Deductions, Credits, etc. • <i>Schedule K-1 (Form 1120-S)</i>, Shareholder's Share of Income, Deductions, Credits, etc.
012	Business Income (Or Loss) <ul style="list-style-type: none"> • Form 1099-K, Payment Card and Third Party Network Transactions • Form 6198, At-Risk Limitations • <i>Schedule C</i>, Profit or Loss From Business (Sole Proprietorship)

Reason Code	Adjustment Item
013	Investment Gain (Or Loss) <ul style="list-style-type: none"> • Cost Basis • Form 1099-B, Proceeds From Broker and Barter Exchange Transactions • Form 1099-S, Proceeds From Real Estate Transactions • Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains • Form 4684, Casualties and Thefts • Form 6252, Installment Sale Income • Form 4797, Sales of Business Property • Form 44952, Investment Interest Expense Deduction • Form 8824, Like Kind Exchanges • Sale of Home (non-military) • <i>Schedule D</i>, Capital Gains and Losses • <i>Schedule K-1 (Form 1041)</i>, Beneficiary's Share of Income, Deductions, Credits, etc. • <i>Schedule K-1 (Form 1065)</i>, Partner's Share of Income, Deductions, Credits, etc. • <i>Schedule K-1 (Form 1120-S)</i>, Shareholder's Share of Income, Deductions, Credits, etc.
016	Pensions and Annuities <ul style="list-style-type: none"> • 401(K) • 403(b) • Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. • Form RRB-1099-R • Form 5329, Additional Taxes on Qualified Plans (including IRAs) and other Tax-Favored Accounts • Form 8606, Nondeductible IRAs • IRA Distribution
018	<i>Schedule E</i> Income (Or Loss) <ul style="list-style-type: none"> • Farm Rental • Form 1099-MISC, Miscellaneous Information • Form 4835, Farm Rental Income and Expenses • Form 4952, Investment Interest Expense Deduction • Form 6198, At-Risk Limitations • Form 1099-K, Payment Card and Third Party Network Transactions
019	<i>Schedule F</i> , Profit or Loss From Farming
020	Unemployment Compensation <ul style="list-style-type: none"> • Form 1099-G, Certain Government Payments • Unemployment Compensation Exclusion (UCE)

Reason Code	Adjustment Item
021	Other Income <ul style="list-style-type: none"> • 2014-7 Income exclusion for qualified Medicaid waiver payments or difficulty of care payments • Alaska Permanent Fund • Alimony Received • Awards • Employee Stock Ownership Plan (ESOP) • Form 1099-A, Acquisition or Abandonment of Secured Property • Form 1099-C, Cancellation of Debt • Form 1099-G, Certain Government Payments • Form 1099-MISC, Miscellaneous Information • Form 1099-NEC, Nonemployee Compensation • Form 8814, Parent's Election to Report Child's Interest and Dividends • Form W-2G, Certain Gambling Winnings • Gifts • Jury Duty Pay • Medical and Life Insurance Reimbursements • Prizes • Self-Employment Income (not reported on <i>Schedule C</i>, <i>Schedule E</i> or <i>Schedule F</i>) • State and Local Tax Refund • Taxable Coverdell Education Savings Account (ESA) • Taxable Scholarship / Grants (not reported on Form W-2) • Third-Party Sick Pay
025	Amount Claimed As Payment Made To A Qualified Retirement Plan <ul style="list-style-type: none"> • KEOGH • KPERS • SARSEP • SEP • SIMPLE
027	Additional tax on Early Withdrawal of Savings
029	Taxable Social Security Benefits <ul style="list-style-type: none"> • Form RRB-1099-R • Form SSA-1099 • Form SSA-1099-SM • SSA income for prior years

Reason Code	Adjustment Item
030	Adjustments to Income <ul style="list-style-type: none"> • Alimony Paid (without recipient's SSN) • Educator Expenses • Form 1098-E, Student Loan Interest Statement • Form 2106, Employee Business Expenses • Form 3903, Moving Expenses • Form 8917, Tuition and Fees Deduction • Military Family Relief Act • SE Tax (Deductible portion) • SE Health Insurance Deduction • Write-ins on Adjustments to Income <ul style="list-style-type: none"> - Attorney fees - Awards - Contributions by Chaplains - Contributions to Nonprofit Pension Plans - Expenses/Rental Personal Property - Jury Pay - Reforestation
033	Additional Taxes From Form 4970, 4972 Or 8814 <ul style="list-style-type: none"> • Form 4970, Tax on Accumulation Distribution of Trusts • Form 4972, Tax on Lump-Sum Distributions • Form 8814, Parent's Election to Report Child's Interest and Dividends • Section 72(m)(5) Penalty
035	Education Credits <ul style="list-style-type: none"> • Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits)

Reason Code	Adjustment Item
036	Tax Credits <ul style="list-style-type: none"> • Non-refundable Child Tax Credit (CTC) • Form 2441, Child and Dependent Care Expenses • Form 3468, Investment Credit • Form 3800, General Business Credit • Form 5695, Residential Energy Credit • Form 5884, Work Opportunity Credit • Form 6478, Biofuel Producer Credit • Form 6765, Credit for Increasing Research Activities • Form 8396, Mortgage Interest Credit • Form 8586, Low Income Housing Credit • Form 8820, Orphan Drug Credit • Form 8826, Disabled Access Credit • Form 8834, Qualified Plug-in Electric and Electric Vehicle Credit • Form 8835, Renewable Electricity, Refined Coal, and Indian Coal Production Credit • Form 8864, Biodiesel and Renewable Diesels Fuels Credit • Form 8874, New Markets Credit • Form 8880, Credit for Qualified Retirement Savings Contributions • Form 8881, Credit for Small Employer Pension Plan Startup Costs and Auto-Enrollment • Form 8882, Credit for Employer Provided Childcare Facilities and Services • Form 8896, Low Sulfur Diesel Fuel Production Credit • Form 8900, Qualified Railroad Track Maintenance Credit • Form 8907, Non-conventional Source Fuel Credit • Form 8910, Alternative Motor Vehicle Credit • Form 8911, Alternative Fuel Vehicle Refueling Property Credit • Schedule 8812, Credits for Qualifying Children and Other Dependents • Form 8936, Qualified Plug-in Electric Drive Motor Vehicle Credit (Including Qualified Two-Wheeled Plug-in Electric Vehicles) (Tax Year 2022 and prior)
043	<i>Schedule D</i> , Capital Gains and Losses, tax computation
044	Self-Employment Tax (<i>Schedule SE</i> , Self-Employment Tax)
045	Alternative Minimum Tax (Form 6251, Alternative Minimum Tax - Individuals)
046	<i>Schedule J</i> , Income Averaging For Farmers and Fishermen
048	Form 5329, Additional Tax on Early Distributions or Certain Distributions from Education Accounts <ul style="list-style-type: none"> • Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
049	Total tax <ul style="list-style-type: none"> • Other substantiated taxes on Form 1040-X • Uncollected SS Tax / Medicare Tax (UT)
051	Total Federal Income Tax Withheld
053	Earned Income Tax Credit (Allowance/Increase/Decrease)
054	CP 09 or CP 27 Earned Income Credit Disallowed
055	Excess Social Security Tax Or RRTA Tax Withheld

Reason Code	Adjustment Item
057	Regulated Investment Company Credit <ul style="list-style-type: none"> Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains
061	Payments <ul style="list-style-type: none"> Additional Child Tax Credit (ACTC) Refundable Child Tax Credit (RCTC) - Tax Year 2021 only Form 4136, Credit for Federal Tax Paid on Fuels Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals Schedule 8812, Credits for Qualifying Children and Other Dependents Schedule 8812, Additional Child Tax Credit (TY 2020 and prior)
065	Penalty Charge <ul style="list-style-type: none"> Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts
076	<i>Schedule A</i> , Itemized Deductions
092	Standard Deduction
096	Tax Relief Credit <ul style="list-style-type: none"> Recovery Rebate Credit (RRC)
099	Miscellaneous Account Information <ul style="list-style-type: none"> Any reason not listed Unexplained Form 1099 income When instructed by a specific IRM Automated amended return adjustment
106	Refundable Education Credit <ul style="list-style-type: none"> Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits)
173	Credit for Other Dependents
221	Advance CTC Repayment computer. Valid for tax period 202112 – 202211 adjustments input with IRN 818 to MFT 30.
233	Form 8936, Clean Vehicle Credits

REASON CODE CHART

Filing Status Changes	Adjusted Gross Income (continued)
001 Change to Single 002 Change to Married Filing Jointly 003 Change to Married Filing Separately 004 Change to Head of Household 005 Change to Qualifying Surviving Spouse	020 Unemployment Compensation (Fm 1099-G) Unemployment Compensation Exclusion (UCE)
Adjusted Gross Income	
007 Wages, Salaries, Tips Bonus (Fm W-2 / Wage Related) Dependent Care Benefits Disability Employer Provided Education Asst. (IRC 127) Fm W-2 Wages Grant Salary Deferrals Scholarship Third Party Sick Pay	021 Other Income Alaska Permanent Fund Alimony Received Awards ESOP Fm 1040 Fm 1099-A (Acquisition or Abandonment of Secured Property) Fm 1099-C (Cancellation of Debt) Fm 1099-G (State Income Tax Refund) Fm 1099-MISC Fm 1099-NEC Fm 8814 Fm W-2G (Gambling Winnings) Gifts Jury Duty Pay Medical & Life Insurance Reimbursements Prizes Self-Employment Income (not on Sch C, E, or F) State and Local Tax Refund Taxable Coverdell ESA Taxable Scholarships/Grants not reported on Fm W-2 Third Party Sick Pay
008 Interest / Dividend Income Fm 1099-INT / DIV / OID Fm 8815 Sch B Sch K-1 Interest	025 Qualified Retirement Plan Payments KEOGH KPERS SARSEP SEP SIMPLE
012 Business Income (or Loss) Fm 1099-K Fm 6198 (for Sch C support) Sch C	027 Penalty on Early Withdrawal of Savings
013 Investment Income (Gain or Loss) Cost basis Fm 1099B / 1099S Fm 2439 Capital Gain Income Fm 4684 (for Sch D support) Fm 4797 Sale of Business Property Fm 4952 (for Sch D support) Fm 6252 (for Sch D support) Fm 8824 (for Sch D support) Sale of Home (non-military) Sch D Sch K-1 Capital Gain Income (for Sch D support)	029 Taxable Social Security Benefits Fm RRB-1099 Fm SSA-1099 Income reported on Fm 1040, line 20b
016 Pensions and Annuities 401(K) / 403(b) Income Added Disability retirement including Veterans Admin Fm 1099-R (Dist Code 1 or 7 only) / RRB-1099-R Fm 5329 Fm 8606 IRA Distribution	030 Adjustments to Income Alimony Paid (without recipient's TIN present) Educator Expenses Fm 1098-E (Student Loan Interest) Fm 2106 Fm 3903, Moving Expenses Fm 8917, Tuition and Fees Deduction Jury Duty Pay Military Family Relief Act SE Tax (Deductible Part) SE Health Insurance Deduction
018 Schedule E Income (or Loss) Farm Rental Fm 1099-K Fm 1099-MISC (Rents / Royalties) Fm 4835 Fm 4952 (for Sch E support) Fm 6198 (for Sch E support) Fm 8582 Sch E (Partnerships, S Corp, Estates) Sch K-1 Partnership Income Trusts	099 Miscellaneous Account Information Any Reason Not Listed Social Security Benefits Unexplained 1099 Income Automated amended return adjustment
019 Farming Income (or Loss) Fm 1099-G/CCC-1099-G (agricultural payments) Fm 1099 PATR (for Sch F support) Fm 6198 (for Sch F support) Sch F	

Figure 3.11.6-2 Adjustment Reason Code Chart

REASON CODE CHART

Filing Status Changes	Adjusted Gross Income (continued)
001 Change to Single 002 Change to Married Filing Jointly 003 Change to Married Filing Separately 004 Change to Head of Household 005 Change to Qualifying Surviving Spouse	020 Unemployment Compensation (Fm 1099-G) Unemployment Compensation Exclusion (UCE)
Adjusted Gross Income	021 Other Income Alaska Permanent Fund Alimony Received Awards ESOP Fm 1040 Fm 1099-A (Acquisition or Abandonment of Secured Property) Fm 1099-C (Cancellation of Debt) Fm 1099-G (State Income Tax Refund) Fm 1099-MISC Fm 1099-NEC Fm 8814 Fm W-2G (Gambling Winnings) Gifts Jury Duty Pay Medical & Life Insurance Reimbursements Prizes Self-Employment Income (not on Sch C, E, or F) State and Local Tax Refund Taxable Coverdell ESA Taxable Scholarships/Grants not reported on Fm W-2 Third Party Sick Pay
007 Wages, Salaries, Tips Bonus (Fm W-2 / Wage Related) Dependent Care Benefits Disability Employer Provided Education Asst. (IRC 127) Fm W-2 Wages Grant Salary Deferrals Scholarship Third Party Sick Pay	025 Qualified Retirement Plan Payments KEOGH KPERS SARSEP SEP SIMPLE
008 Interest / Dividend Income Fm 1099-INT / DIV / OID Fm 8815 Sch B Sch K-1 Interest	027 Penalty on Early Withdrawal of Savings
012 Business Income (or Loss) Fm 1099-K Fm 6198 (for Sch C support) Sch C	029 Taxable Social Security Benefits Fm RRB-1099 Fm SSA-1099 Income reported on Fm 1040, line 20b
013 Investment Income (Gain or Loss) Cost basis Fm 1099B / 1099S Fm 2439 Capital Gain Income Fm 4684 (for Sch D support) Fm 4797 Sale of Business Property Fm 4952 (for Sch D support) Fm 6252 (for Sch D support) Fm 8824 (for Sch D support) Sale of Home (non-military) Sch D Sch K-1 Capital Gain Income (for Sch D support)	030 Adjustments to Income Alimony Paid (without recipient's TIN present) Educator Expenses Fm 1098-E (Student Loan Interest) Fm 2106 Fm 3903, Moving Expenses Fm 8917, Tuition and Fees Deduction Jury Duty Pay Military Family Relief Act SE Tax (Deductible Part) SE Health Insurance Deduction
016 Pensions and Annuities 401(K) / 403(b) Income Added Disability retirement including Veterans Admin Fm 1099-R (Dist Code 1 or 7 only) / RRB-1099-R Fm 5329 Fm 8606 IRA Distribution	099 Miscellaneous Account Information Any Reason Not Listed Social Security Benefits Unexplained 1099 Income Automated amended return adjustment
018 Schedule E Income (or Loss) Farm Rental Fm 1099-K Fm 1099-MISC (Rents / Royalties) Fm 4835 Fm 4952 (for Sch E support) Fm 6198 (for Sch E support) Fm 8582 Sch E (Partnerships, S Corp, Estates) Sch K-1 Partnership Income Trusts	
019 Farming Income (or Loss) Fm 1099-G/CCC-1099-G (agricultural payments) Fm 1099 PATR (for Sch F support) Fm 6198 (for Sch F support) Sch F	

Figure 3.11.6-3 Adjustment Reason Code Chart (continued)

3.11.6.15.6
(01-02-2024)

Blocking Series (BS)

- (1) A unique Blocking Series (BS) is used when adjusting an account to indicate the type of the adjustment.

Note: The BS listed for correspondence also applies to the Spanish version of the letter. See IRM 3.11.6.10.2, Spanish Correspondence, and the *Correspondex Letters* for a current list of correspondence letters.

Blocking Series	Usage
00	Partial claim disallowance (Letter 106C) and the original return was electronically filed.
05	For most processable Form 1040-X and CP notices unless otherwise directed.
18	Partial claim disallowance (Letter 106C) and the original return was paper filed.
77	Setting a math error (Letter 474C) and the original return was filed electronically.
78	Setting a math error (Letter 474C) and the original return was paper filed.
98	Complete claim disallowance (Letter 105C) and the original return was paper filed.
99	Complete claim disallowance (Letter 105C) and the original return was filed electronically.

- (2) The ninth and tenth digits of a Document Locator Number (DLN) represent the Blocking Series. See IRM 3.11.249.3.2.1, Document Locator Number (DLN) for detailed information regarding DLNs.

- (3) For modules with a prior adjustment:

If the BS on the prior TC 290 or TC 291 is ...	Then ...
77 or 78	See IRM 3.11.6.16.6, Math Error Response Cases.
00, 18, 98, or 99	See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

3.11.6.15.7
(07-28-2022)

Hold Codes (HC)

- (1) A hold code (HC) is input to prevent or delay the issuance of a refund or Adjustment Notice to the taxpayer and is a required entry when inputting an adjustment. Unless otherwise instructed, use HC 0 when inputting an adjustment.

Hold Code	Refund Action	Notice Action	Account Action
0	Allows the refund	Allows adjustment notice	None.
1	Holds the refund	Allows adjustment notice	Sets the -K freeze.
2	Holds the refund	Holds adjustment notice	Sets the -K freeze.
3	Allows the refund	Holds adjustment notice	None.

Hold Code	Refund Action	Notice Action	Account Action
4	Holds the refund	Notice won't be issued at any time	Sets the -K freeze.

3.11.6.15.8
(11-21-2019)

Posting Delay Codes (PDC)

- (1) A Posting Delay Code (PDC) of 1 to 6 is used to post a transaction later than another transaction when multiple transactions are required on one account. Input transactions don't post to MF until the indicated number of cycles have expired (with respect to the first transaction to be posted).
- (2) There's never a situation where the posting delay code is greater than "1" on MFT 35.
- (3) PDCs are applicable for IMF transactions using ADJ54.
- (4) The PDC isn't posted with the transaction or shown with the pending transaction. The pending (PN) MF posting cycle for the IDRS status transaction is extended to account for the PDC(s).

Example: A PDC "1" must be used on the adjustment when an address change was input. This allows the adjustment notice to be sent to the new address of record.

3.11.6.15.9
(01-02-2024)

Priority Codes (PC)

- (1) A Priority Codes (PC) must be used to post an adjustment to the master file when certain conditions exist. If a PC isn't used when required, the adjustment will unpost.

Priority Code	When Required
1	Making an adjustment to an account with a "-L" Freeze.
2	Use only priority code 2 if both 1 and 3 are required to adjust the account. (Example: Account with -L freeze and the CP notice would require priority codes 1 and 3; therefore only 2 would be used.)
3	Adjusting CP Notices and when a Letter 5600C is mentioned or attached.
6	Used to release a math error freeze (-G) only.
8	<ol style="list-style-type: none"> a. CRN 764 is input with a TC 29X and there's a prior posted TC 29X (except a previously posted TC 290 with priority code 6 or a TC 290 with Julian Date 999). b. TC 29X is input for a significant amount greater than \$10 and is within \$10 of a previously posted TC 29X. (EXAMPLE: \$55 adjustment and the previous adjustment is \$49 would require a PC: 8 on either TC 290/291 adjustment.) c. CRN 80X is input and there's a prior TC 17X on the account and the new TC 176 is computer generated. d. CRN 806, 807, or 766 is input that is within \$10 of a prior posted matching transaction (Example: CRN 806 is within \$10 of a prior posted CRN 806, not within \$10 of CRN 807). e. When adjusting Fuel Tax Credit, Form 4136.

Note: Use Priority Code 1 if both 1 and 8 are required to adjust the account.

Example: An account with -L freeze and the EIC conditions above would require priority codes 1 and 8; therefore, only 1 would be used.

3.11.6.15.10
(01-02-2024)

Category Codes

- (1) Category Codes are four letter codes that indicate the type of case. Ensure the appropriate Category Code is used when processing a case.

If ...	Then ...
Inputting an adjustment.	a. Use "MEFP" on e-filed cases. b. Use "MEFS" on scanned and Document Upload Tool (DUT) cases.
Inputting an adjustment on a claim related to: <ul style="list-style-type: none"> • A federally declared disaster that occurred in 2018 or 2019, but before December 21, 2019. • A federally declared disaster that occurred beginning January 1, 2020, but before February 26, 2021. • Hurricane Ida disaster after August 28, 2021. 	Use "KATX".
Re-inputting an adjustment sent back from a review Note: When closing the reopened CII case, use "Close As MISC".	Use the appropriate category code listed above.
Working a category code IRRQ correspondence reply Note: Category code IRRQ is used on correspondence replies being scanned when the original CII Case is closed. Reminder: IRRQ cases must be linked to the original CII Case.	Process the reply per normal procedures and use the appropriate category code listed above.

- (2) Follow IRM 3.11.6.9.1, MEFP Reassignment and Reroute Guide, or IRM 3.11.6.9.2, MEFS Reassignment and Reroute Guide, as appropriate. determine the appropriate Category Code when routing an amended return.
- (3) If corresponding on:
- An e-filed case, use "MEFP".
 - A scanned or DUT case, use "MEFS".

Exception: If inputting an adjustment and corresponding, use the adjustment category code.

3.11.6.15.11
(01-02-2024)

**Correspondence
Imaging Inventory
Indicator (CIS IND),
Source Document
Attached Indicator (SD),
and Remarks**

- (1) Correspondence Imaging Inventory Indicator (CIS IND) "1" is required in the "CIS-IND" field of the CC ADJ54 screen.
- (2) Source Document Indicator (SD) "N" is required in the "SOURCE-DOC-ATTACHED" field of the CC ADJ54 screen.
- (3) A remark is required on all IDRS transactions. Use the table below to determine the appropriate remarks. This applies to REQ54, ENREQ, REQ77, and credit transfers.

If ...	Then ...
If the claim type is a Notice CP 08.	Use "CP08".
If the claim type is a Notice CP 09.	Use "CP09".
If the claim type is a Notice CP 27.	Use "CP27".
A paper filed amended return.	Use "1040-X".
An e-filed amended return or CII case.	Use the CII Case ID. Example: CISF123456 Note: CII populates the Remarks field with the CII Case ID when initiating the adjustment from CII. When using IAT, enter the CII Case ID in the Remarks field.

Note: Certain IRM subsections require a specific remark be added.

- (4) Include "NSD", before the appropriate remarks.
- (5) When inputting an adjustment, complete the "REMARKS" field of the CC ADJ54 screen as follows:
 - a. CII Case ID
 - b. NSD
 - c. Claim type per paragraph 3 above.
 - d. Additional remarks per specific subsection.

Example: CISF123456 NSD 1040-X ME RESPONSE

3.11.6.15.12
(09-23-2022)

**Business Operating
Division Code (BOD CD)**

- (1) The Business Operating Division Code (BOD CD) identifies the IRS BOD having overall responsibility for the account.
 - LB - Large Business and International (LB&I).
 - SB - Small Business/Self-Employed (SB/SE).
 - TE - Tax Exempt/Government Entities (TE/GE).
 - WI - Wage and Investment (WI).
- (2) The BOD CD may be required when updating case date or when routing certain cases. The BOD CD can be found on:
 - CC TXMODA
 - CC ENMOD

- CC INOLES
- CC AMDIS
- CC SUMRY

Note: This isn't an all-inclusive list.

3.11.6.16
(01-02-2024)

Cases Requiring Special Handling

- (1) When processing a case requiring special handling, all IRM instructions apply.

3.11.6.16.1
(09-04-2024)

Processing Statute Cases

- (1) After completing a statute review per IRM 3.11.6.7.10, Statute Review Screening, use the following instructions to process a statute year case:

Note: If a case is stamped "No Statute Issue(s)", continue processing the case. If a Form 1040 is stamped "Statute Cleared" see IRM 3.11.6.7.10, Statute Review Screening.

- When verifying the ASSED, use today's date.
- When verifying the RSED and the received date isn't timely, check the postmark. If the amended return is postmarked on or before the RSED, consider it timely for a refund. See Paragraph 7 below to determine timeliness.
- Research the *IRS Disaster Assistance Program* per paragraph 2 below.
- Without regard to the ASSED and RSED, Statute cases not meeting SP criteria must be sent to the appropriate function.
- If the account is on the retention register, use CC IMFOLB to restore the module before sending correspondence or inputting an adjustment. Once the CC IMFOLB request has been input, suspend the case using "RE-TREG" as the reason for suspense in CII to allow the TC 370 to post. If the TC 370 hasn't posted when the suspense period expires, send the case to AM.
- Open case controls with a category code "ST04" or "-X04" on a case meeting SP criteria must be placed in "B" status prior to inputting the adjustment. Upon completion of the adjustment, place the control base back in "A" status.

- (2) When researching the *IRS Disaster Assistance Program*, check the current year and one year prior to determine if the taxpayer lived in a federally declared disaster area. If research shows the taxpayer lives or lived in a disaster area, review the disaster declaration for the following statement, and then follow the table below:

- Affected taxpayers that need to perform time-sensitive actions described in Treas. Reg. 301.7508A-1(c)(1) and Rev. Proc. 2018-58, IRB 2018-50 that fall on or after (the specified date), and before (the specified date), are granted additional time to act through (the specified date).

Note: Per Notice 2023 021, due to the postponed due dates of July 15, 2020, for 2019 income tax returns and May 17, 2021, for 2020 income tax returns, taxpayers have three years from the date they filed their original return to claim a credit or refund if their original return was filed by the postponed due dates. See IRM 25.6.1.10.2.7, Claims for Credit or Refund – General Time Period for Submitting a Claim, for more information.

(3) Follow the procedures below to determine if the case must be routed.

If ...	And ...	Then ...
The RSED is expired, and the module is in debit balance	Box 5 of paragraph 7 below doesn't apply	Send the case to AM.
The RSED is expired on a full paid module, and your amended return isn't a math error correction	There are payments, credits, or offsets posted within two years of your case's received date Note: For information on offsets, see IRM 21.4.6, Refund Offset Research, IRM 21.4.6.4.1, Tax Offset, and IRM 21.4.6.4.2, Treasury Offset Program (TOP) Offset.	Send the case to AM.
The RSED is expired on a full paid module and the return wasn't timely filed	"Exonerated Prisoner", "Incarceration Exclusion PATH Act", or similar is stated	Send the case to AM with EXPR as the working Trail.
The RSED is expired and there was a math error on the original return	The change on the Form 1040-X isn't a math error correction and/or also claims additional changes	Send the case to AM.

(4) Follow the procedures below to determine if the case requires correspondence.

If ...	And ...	Then ...
There's a total tax decrease or refundable credit increase resulting in a refund that was received (or postmarked) before the RSED	The claim is incomplete and additional information is required to process the case	Suspend the case for 45 days and request the missing information using Letter 324C. Use the fill-in(s) provided in the specific instructions.
The RSED is expired on a full paid module and the return wasn't timely filed	There are no payments, credits, or offsets within the last two years on the module and no other route-out criteria exist	Disallow the claim and send Letter 105C per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C and Letter 106C).

(5) If a reply to correspondence is received on a statute year case take the following action.

If ...	Then ...
A complete response was received before the RSED	Allow the claim.
The return, or Letter 324C if applicable, is not fully signed and the response is received before the RSED	No consider the claim and send Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).
An incomplete response was received before the RSED	No consider the claim and send Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).
A complete response is received after the RSED but within 45 days of the IRS request (date the letter was input)	Allow the claim.
The return, or Letter 324C if applicable, is not fully signed and the response is received after the RSED but within 45 days of the IRS request (date the letter was input)	Disallow the claim and send Letter 105C per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
An incomplete response is received after the RSED but within 45 days of the IRS request (date the letter was input)	Disallow the claim and send Letter 105C or Letter 106C as appropriate per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

- (6) If a reply to correspondence on a statute case isn't received, take the following action.

If ...	Then ...
A reply hasn't been received by the requested response date and the RSED is open	No consider the claim. Send Letter 916C per IRM 3.11.6.10.8, Correspondence for "No Consideration" of a Claim (Letter 916C).
A reply hasn't been received by the requested response date and the RSED has expired	Disallow the claim. Send Letter 105C per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).

- (7) Use the following procedures to determine how to process your case.

If ...	And ...	Then ...
<p>Making an adjustment to the account with a TC 290 .00 and adjusting Credit Reference Numbers that don't result in a credit or tax change</p> <p>Example: Changing SE tax from the primary to secondary taxpayer. No tax change and no credit change.</p>	Without regard to the ASED or RSED	Process using Blocking Series 05. If the RSED is expired, use the received date as the "RFSCDT" and enter an "S" override.
The RSED is expired and there was a math error on the timely filed original return	The only change is a correction of the math error(s)	<p>Process the Form 1040-X. See IRM 3.11.6.16.6, Math Error Response Cases.</p> <p>Note: Input the received date of the original return in the "RFSCDT" field.</p> <p>Exception: If the original return was filed after the RSED, send the case to AM.</p>
The RSED is expired and there was a math error on a timely filed amended return	The only change is a correction of the math error(s)	<p>Process the Form 1040-X. See IRM 3.11.6.16.6, Math Error Response Cases.</p> <p>Note: Input the received date of the first amended return in the "RFSCDT" field.</p>
The ASED is greater than 90 days and the RSED is expired	<p>The return is one of the following:</p> <ul style="list-style-type: none"> • A tax increase with a credit increase. • A credit increase without a tax increase. • A tax decrease with a credit decrease. 	Send the case to AM.
The ASED is greater than 90 days and the RSED is expired	<p>The return is one of the following:</p> <ul style="list-style-type: none"> • A tax increase with a credit decrease. • A tax increase without a credit decrease. • A credit decrease without a tax increase. 	Process the Form 1040-X using instructions in the paragraphs below.

If ...	And ...	Then ...
The ASED is greater than 90 days and RSED is open		Process the Form 1040-X using instructions in the paragraphs below
The amended return has a total tax decrease and/or refundable credit increase that results in a refund on a timely filed return	No route criteria exist	Process the Form 1040-X using instructions in paragraphs below.

(8) An override code is required when the IRS Received Date is over one year old or the RSED is expired.

- a. R - Allows IRS Received Date to be older than a year in the past.
- b. S - Allows current date and the Refund Statute Control Date (RFSCD) to be later than the Refund Statute Expiration Date (RSED).

Reminder: If the taxpayer lived in a qualified disaster area, the due date considered a return timely filed may be different.

(9) Use the table below to determine the received date, amended claims date, and refund statute control date.

Note: Verify postmark date when determining timeliness.

Reminder: Always verify the RSED and ASED dates on CC TXMOD.

If ...	And ...	Then ...
Received date is after the RSED Example: The received date is 4-20-20XX.	Postmark shows the claim is timely filed Example: The RSED is 4-15-20XX, and the postmark date is 4-15-20XX or prior. Example: The RSED is 10-15-20XX, and the postmark date is 10-13-20XX.	Use the received date as normal. Use the postmark date as the amended claims date and as the RFSCDT. Example: Input 4-15-20XX as the RFSCDT and the amended claims date. Example: Input 10-13-20XX as the amended claims date and RFSCDT.
The received date is prior to the RSED Example: The received date is 3-30-20XX.	You are processing the claim after the RSED Example: Postmark date is 3-28-20XX and the return is received 6-05-20XX.	Use the received date as normal and as the amended claims date and RFSCDT. Example: Input 3-30-20XX as the amended claims date and the RFSCDT.

If ...	And ...	Then ...
Received date is prior to the RSED Example: The received date is 6-01-20XX and the RSED/ASED is 10-15-20XX.	You are processing the claim prior to the RSED Example: The claim is processed 6-20-20XX.	Process the return following standard 1040-X procedures.
Claim is timely received Example: The received date is 4-15-20XX or prior.	The claim is incomplete, and correspondence is required per paragraph (4), box 1. Response is received after the RSED, but within the time frames in paragraph (4), box 1. Example: Correspondence was sent and the reply was received 6-1-20XX.	Use the original received date as the received date and RFSCDT. Use the response date as the amended claims date.
There's no envelope or postmark present, or the postmark is illegible, and the received date is after the RSED		Use the RSED date as the received date, amended claims date, and RFSCDT. Edit the RSED date onto the return and circle any other received date stamps. Note: Input 4-15-20XX as the received date, amended claims date, and RFSCDT.

#3.11.6.16.2
(02-06-2024)**Processing a Disaster Claim**

- (1) Refer to IRM 3.11.6.7.7, Disaster Claim Screening, prior to processing a disaster claim.
- (2) To process a disaster claim, check CC TXMOD for an -O or -S Freeze on the account.

If ...	And ...	Then ...
-O or -S freeze code isn't present		Send the case to AM.
-O or -S freeze code is present	The taxpayer requests the refund be issued to a name or address other than the one shown on Master File (e.g., temporary address, taxpayer representative, in care of name and/or address)	Send the case to AM.

If ...	And ...	Then ...
-O or -S freeze code is present		Process the claim.

- (3) If processing a disaster claim and Priority Code 8 is required, send the case to AM.
- (4) If the disaster claim meets the special rules for recalculation as stated in IRM 3.11.6.7.7 (3), Disaster Claims Screening, and IRM 3.11.6.7.7 (4), Disaster Claims Screening, follow the table.

If ...	And ...	Then ...
The taxpayer claimed itemized deductions	The taxpayer qualified for the modified computation but didn't use it	Take the following action: <ol style="list-style-type: none"> 1. Recompute the amount shown on Form 4684, Casualties and Thefts. When recalculating, change line 11 from \$100 to \$500 and change line 17 to \$0. 2. Recompute Schedule A using the recomputed Form 4684, Casualties and Thefts, amount. 3. When inputting an adjustment, use the recomputed Schedule A amount. Exception: If the total itemized deduction is less than the standard deduction, see the box below. 4. Use RC 076 and Category Code to "KATX" 5. If the taxpayer's refund amount is changed because of the recalculation, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
The taxpayer claimed the standard deduction	The taxpayer qualified for the modified computation but didn't use it	Take the following action: <ol style="list-style-type: none"> 1. Recompute the amount shown on Form 4684, Casualties and Thefts. When recalculating, change line 11 from \$100 to \$500 and change line 17 to \$0. 2. Recompute Schedule A using the recomputed Form 4684, Casualties and Thefts, amount. 3. When inputting an adjustment, use the recomputed Schedule A amount. 4. Use RC 092 and Category Code to "KATX". 5. If the taxpayer's refund amount is changed because of the recalculation, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.

3.11.6.16.3
(01-02-2024)

Cases Returned From CAT-A Suspense

- (1) Cases suspended to CAT-A are returned by CAT-A classifiers with the following processing instructions.

If the CAT-A response is ...	Then ...
"Selected"	Take the following action: 1. Input the necessary audit trail with a TC 971 and Action Code (AC) 013. 2. Close the CII case.
"Rejected"	Take the necessary action to resolve the reason for rejection and resubmit the claim as Category A. Note: If additional information is needed from the taxpayer, reject the claim and request the information.
"Accepted"	Take the necessary action to adjust the account. Reminder: If other routing criteria is present, route the case per normal procedures.
"Disallowed"	Take the necessary action to disallow the claim per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP).
"No Consider"	No consider the claim per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).

3.11.6.16.4
(09-04-2024)
Combat Zone

- (1) Submission Processing only processes Combat Zone (CZ) claims that result in a net refund or zero-balance.

Caution: Don't confuse CZ cases with the Military Family Relief Act (MFRA) cases. For MFRA cases, see IRM 3.11.6.14.1.1.6, Military Family Relief Act (MFRA) (Line 1).

- (2) If a -C freeze is displayed on CC TXMOD or CC IMFOL, verify the taxpayer is actively serving in a designated CZ. Treat the return as a CZ case if:
- There's a -C freeze with a Combat Indicator of 1 on CC IMFOLE.
 - or
 - Taxpayer notates actively serving in a CZ on the return.
- (3) If a -C freeze with a Combat Indicator of "1" is present, then CC IMFOLE or CC ENMOD shows a TC 500 with a Closing Code (cc). There may be several entry and exit dates present. Use the most recent TC 500 to determine current CZ status.
- If the closing code is an even number, treat the case as a CZ return.
 - If the closing code is an odd number, don't treat case as a CZ return.

Note: If the literal “Combat Zone” is present on IDRS ensure there’s a -C freeze before treating the case as a CZ return. The literal without the freeze is only an indication of prior CZ status.

(4) If an active CZ case results in a net balance due, send the case to AM.

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(6) If a -C freeze isn’t on the account for a CZ case, send the case to AM.

(7) When required information is missing from the return, follow IRM 3.11.6.10, Correspondence Procedures.

(8) When processing a CZ case, don’t enter an Amended Claims date and remove the check from the checkbox in the “Debit/Credit Int To” field.

(9) A taxpayer (or the spouse, if married filing jointly) receiving nontaxable combat pay may elect to include the amount when figuring their earned income for purposes of computing EITC.

3.11.6.16.5
(01-02-2024)

Inputting a Corrected Adjustment

(1) Follow the table when inputting a corrected adjustment.

If ...	Then ...
Lines 16 - 22 of Form 1040-X don’t match	Don’t issue a Letter 474C or set a math error. Continue processing the return following normal procedures.
Missing or incorrect entries don’t affect the overall adjustment	Don’t issue a Letter 474C or set a math error. Continue processing the return following normal procedures.
The corrected adjustment result does not differ from the taxpayer’s expected refund or balance due	Don’t issue a Letter 474C or set a math error. Continue processing the return following normal procedures.
The taxpayer is requesting a credit already received and it is the only issue	Input the computed adjustment using: <ol style="list-style-type: none"> 1. Blocking Series “05”. 2. Source Code “1”. 3. The appropriate IRN(s), CRN(s), and RC(s). 4. CII Indicator “1”. 5. Source Document Indicator: “N”. 6. The appropriate remarks. 7. Send Letter 76C <ol style="list-style-type: none"> a. Use the fill-in: We didn’t allow (appropriate title) Credit because our records indicate that you previously received the credit as part of your original or amended return. b. Print the C-Letter to PDF and attach it to the case with the “Attach File” button on the “Active Case Page.” c. Leave a CII Case Note.

If ...	Then ...
There's only a correction to withholding	<p>Don't set a math error. Input the corrected adjustment using:</p> <ol style="list-style-type: none"> 1. Blocking Series "05" 2. Source Code "1". 3. CII Indicator "1". 4. Source Document Indicator: "N". 5. The appropriate remarks. 6. Send Letter 76C <ol style="list-style-type: none"> a. Use the fill-in: Your Form 1040-X, Amended U.S. Individual Income Tax Return, isn't being returned with this letter. We corrected line number (fill-in line number), because (description of error). b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". c. Leave a CII Case Note.
A tax decrease results in a larger refund than the taxpayer requested	<p>Don't set a math error. Input the corrected adjustment using:</p> <ol style="list-style-type: none"> 1. Blocking Series "05" 2. Source Code "1". 3. CII Indicator "1". 4. Source Document Indicator: "N". 5. The appropriate remarks. 6. Send Letter 76C <ol style="list-style-type: none"> a. Use the fill-in: Your Form 1040-X, Amended U.S. Individual Income Tax Return, isn't being returned with this letter. We corrected line number (fill-in line number), because (description of error). b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". c. Leave a CII Case Note.

If ...	Then ...
<p>The taxpayer requests the IRS to complete a form, even when the tax change is \$100 or more</p>	<p>Don't set a math error. Input the corrected adjustment using:</p> <ol style="list-style-type: none"> 1. Blocking Series "05" 2. Source Code "1". 3. CII Indicator "1". 4. Source Document Indicator: "N". 5. The appropriate remarks. 6. Send Letter 76C <ol style="list-style-type: none"> a. Use the fill-in: Your Form 1040-X, Amended U.S. Individual Income Tax Return, isn't being returned with this letter. We corrected line number (fill-in line number), because (description of error). b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". c. Leave a CII Case Note.
<p>The corrected adjustment is a balance due</p>	<p>Input the corrected adjustment using:</p> <ol style="list-style-type: none"> 1. Blocking series: <ol style="list-style-type: none"> a. 77 if the original return was e-filed. b. 78 if the original return was paper filed. 2. Source Code "6". 3. The appropriate IRN(s), CRN(s) and RC(s) to process the return for the corrected amount(s) and any other issues. 4. CII Indicator: "1". 5. The appropriate remarks. 6. If using xMend, click the "Letter" button and select "Write Your Own". 7. Send Letter 474C. <ol style="list-style-type: none"> a. Use the fill-in: Your Form 1040-X, Amended U.S. Individual Income Tax Return, isn't being returned with this letter. We corrected line number (fill-in line number), because (description of error). Exception: For "ITIN reject" cases, see IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7). b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". c. Leave a CII Case Note.

If ...	Then ...
The corrected adjustment reduces the refund amount	<p>Input the corrected adjustment using:</p> <ol style="list-style-type: none"> Blocking series: <ol style="list-style-type: none"> 77 if the original return was e-filed. 78 if the original return was paper filed. Source Code "6". The appropriate IRN(s), CRN(s) and RC(s) to process the return for the corrected amount(s) and any other issues. CII Indicator: "1". The appropriate remarks. If using xMend, click the "Letter" button and select "Write Your Own". Send Letter 474C. <ol style="list-style-type: none"> Use the fill-in: Your Form 1040-X, Amended U.S. Individual Income Tax Return, isn't being returned with this letter. We corrected line number (fill-in line number), because (description of error). Exception: For "ITIN reject" cases, see IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7). Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". Leave a CII Case Note.

3.11.6.16.6
(07-22-2024)

Math Error Response Cases

- When a math error (ME) is present on the taxpayer's account, determine if the amended return is a ME response and addresses the error(s) on the account.
 - The taxpayer is allowed 60-days from the date of the math error notice (the 23C date) to request abatement of the additional tax specified in the notice. If the request is submitted via U.S. mail, use the postmark date to determine if the response was timely. Refer to IRC 6213(b)(2)(A).
 - The taxpayer is allowed a stay of collection during the 60-day time period described above during which collection of the assessment shall not be made, begun or prosecuted. If the taxpayer makes a request for an abatement within 60 days, treat the response as a protest. Refer to IRC 6213(b)(2)(B).
- An amended return isn't considered an ME response if the date of the ME notice is later than the received date of the amended return. When an ME is set a TC 971 with one of the following CP notices is generated:

Notice ...	Description ...
CP 10	ME on an overpaid module, which causes a reduction of credit elect.

Notice ...	Description ...
CP 11	ME on a module with a balance due of \$5 or more.
CP 12	ME on a module with an overpayment of \$1 or more.
CP 13	ME on a module with an even balance, an overpayment of less than \$1, or a balance due of less than \$5
CP 16	ME on an overpaid module, and part or all of the overpayment is offsetting to satisfy another tax module liability.

- (3) There are two types of responses to MEs, a substantiated protest and unsubstantiated protest. However, when a taxpayer files an amended return when an ME is present on the account, the return could be a response that:
- Doesn't address the ME(s) on the account.
 - Agrees with the ME(s) on the account.
 - Is a substantiated protest. A substantiated protest occurs when a taxpayer provides supporting documentation which proves the IRS ME calculation is incorrect. Validate the substantiation by reviewing qualifications needed to allow adjustment.
 - Is an unsubstantiated protest. An unsubstantiated protest occurs when a taxpayer is unable or unwilling to provide the required supporting documentation and still requesting the claim.
 - Is an unsubstantiated response. An unsubstantiated response is an unsubstantiated protest that occurs when the taxpayer addresses the ME(s) but doesn't provide required supporting documentation.

If ...	Then ...
The amended return is an unsubstantiated protest	Send the case to AM.
Any additional changes on the amended return result in an ME	Send the case to AM.
The amended return is an unsubstantiated response, and no additional changes are requested	Send the case to AM.
The amended return is an unsubstantiated response, and additional changes are requested	Send the case to AM.
The amended return is a partially substantiated response, and partially unsubstantiated response	Send the case to AM.
The amended return a partially agreed, or substantiated response, and partially unsubstantiated	Send the case to AM.

If ...	Then ...
The ME is caused by an "ITIN Reject" or "No W-7"	See IRM 3.11.6.16.14.1, Returns Received From the ITIN Unit (Form W-7).
The ME is caused by ITIN status	See IRM 3.11.6.16.14.2, Individual Taxpayer Identification Number (ITIN) Status.

3.11.6.16.6.1
(01-02-2024)

**The Amended Return
Agrees with, or Doesn't
Address, the Math
Error(s)**

(1) When taxpayer agrees with the ME(s), the action needed depends on the account balance.

- If the account isn't in a debit balance, follow the table.

If ...	Then ...
There are no additional changes requested on the amended return	One adjustment is required. Input a TC 290 for .00.
There are additional changes requested on the amended return	One adjustment is required. Input the adjustment following normal processing procedures.

- If the account is in a debit balance, follow the table.

If ...	Then ...
There are no additional changes requested on the amended return	<p>Two adjustments are required.</p> <ol style="list-style-type: none"> 1. Input the first adjustment to release the "-G" freeze with: <ul style="list-style-type: none"> • A TC 290 for ".00". • Source Code: "1". • Priority Code "6". • No Amended Claims Date. • "ME AGREED" to the remarks. 2. Input the second adjustment to release the "-A" freeze following normal procedures with: <ul style="list-style-type: none"> • A posting delay code for 1 cycle more than the first adjustment.

If ...	Then ...
There are additional changes requested on the amended return	<ol style="list-style-type: none"> 1. Input the first adjustment to release the “-G” freeze with: <ul style="list-style-type: none"> • A TC 290 for “.00”. • Source Code: “1”. • Priority Code “6”. • No Amended Claims Date. • “ME AGREED” to the remarks. 2. Input the second adjustment for the additional changes following normal procedures with: <ul style="list-style-type: none"> • A posting delay code for 1 cycle more than the first adjustment.

- (2) When the taxpayer doesn't address the ME(s) on the account, take the following action.

If ...	Then ...
There are no additional changes being requested	See IRM 3.11.6.6.1, Duplicate Returns and Identical Open CII Cases.
There are additional changes being requested	Input the adjustment following normal processing procedures.

3.11.6.16.6.2
(01-02-2024)

**Processing a Timely
Substantiated Protest to
a Math Error Set on the
Original Return**

- (1) A timely substantiated protest is a protest that is received within the 60-day time period stated in IRM 3.11.6.16.6 (1), Math Error Response Cases.
- (2) A correction of a math error (ME) on an original filed return is not an amended return or claim for which the amended claims date is required. When processing a response to a ME set on the original return, don't correspond for forms, schedules, or signatures that were on the original return.

Reminder: Taxpayers often use their original figures in column A instead of the IRS corrected figures when correcting a ME. In some instances, a taxpayer may have multiple MEs on the account.

- (3) If a taxpayer substantiates the ME set on the original return follow the table below.

If ...	Then ...
The substantiated response is to ME on the original return	<p>One adjustment is required with:</p> <ul style="list-style-type: none"> • Source Code 2. • No Amended Claims Date. • “ME RESPONSE” in the remarks.

- (4) If the taxpayer files a substantiated response to ME on the original return and additional changes are requested, follow the table below.

If ...	Then ...
The additional changes result in a refund	Two adjustments are required. 1. Input the ME correction on the first adjustment with: <ul style="list-style-type: none"> Source Code: "2". Hold Code "4". No Amended Claims Date. "ME RESPONSE" to the remarks. 2. Input the additional changes on the second adjustment with: <ul style="list-style-type: none"> Normal processing procedures. A posting delay code for 1 cycle more than the first adjustment.
The ME correction and the additional changes don't result in a refund	One adjustment is required with: <ul style="list-style-type: none"> Use Source Code "2". No Amended Claims Date. Add "ME RESPONSE" to the remarks.
The substantiated response results in a refund and the additional changes don't	One adjustment is required with: <ul style="list-style-type: none"> Source Code "2". No Amended Claims Date. Add "ME RESPONSE" to the remarks.
The substantiated response doesn't result in a refund, but the additional changes do	One adjustment is required with: <ul style="list-style-type: none"> Source Code "2". The received date as the Amended Claims Date. "ME RESPONSE" to the remarks.

- (5) If the taxpayer substantiates some of the MEs on the original return, but doesn't substantiate all the MEs on the account, see IRM 3.11.6.16.6 (3), Math Error Response Cases.

3.11.6.16.6.3
(01-02-2024)

Processing a Late Substantiated Protest to a Math Error Set on the Original Return

- (1) A substantiated protest is considered late if it's received after the 60-day time period stated in IRM 3.11.6.16.6 (1), Math Error Response Cases.
- (2) When a late substantiated protest to a ME set on the original return is received and there's not a -G freeze on the module, follow IRM 3.11.6.16.6.2, Processing a Timely Response to a Math Error Set on the Original Return.

3.11.6.16.6.4
(01-02-2024)

Processing a Timely Substantiated Protest to a Math Error Set on an Amended Return

- (1) A substantiated protest is considered timely if it's received within the 60-day time period stated in IRM 3.11.6.16.6 (1), Math Error Response Cases.
- (2) If a taxpayer substantiates the math error (ME) set on an amended return.

Reminder: Taxpayers often use their original figures in column A instead of the IRS corrected figures when correcting a ME. In some instances, a taxpayer may have multiple MEs on the account.

If ...	Then ...
The substantiated response is to ME on an amended return	Input the adjustment with: <ul style="list-style-type: none"> • Source Code 2. • The received date of the TC 29X that set the ME as the Amended Claims Date. • CII indicator "1". • Source Document Indicator "N". • "ME RESPONSE" in the remarks.

- (3) If the taxpayer files a substantiated response to ME on an amended return and additional changes are requested, follow the table below.

If ...	Then ...
The additional changes result in a refund	Two adjustments are required. <ol style="list-style-type: none"> 1. Input the ME correction on the first adjustment using: <ul style="list-style-type: none"> • Source Code "2". • Hold Code "4". • The received date of the TC 29X that set the ME as the Amended Claims Date. • CII indicator "1". • Source Document Indicator "N". • "ME RESPONSE" in the remarks. 2. Input the additional changes on the second adjustment with: <ul style="list-style-type: none"> • A posting delay code (PDC) for 1 cycle more than the first adjustment. • CII indicator "1". • Source Document Indicator "N".
The ME correction and the additional changes don't result in a refund	One adjustment is required with: <ul style="list-style-type: none"> • Source Code: "2". • The received date of the TC 29X that set the ME as the Amended Claims Date. • CII indicator "1". • Source Document Indicator "N". • "ME RESPONSE" in the remarks.
The substantiated response results in a refund and the additional changes don't	One adjustment is required with: <ul style="list-style-type: none"> • Source Code: "2". • The received date of the TC 29X that set the ME as the Amended Claims Date. • CII indicator "1". • Source Document Indicator "N". • "ME RESPONSE" in the remarks.
The substantiated response doesn't result in a refund, but the additional changes do	One adjustment is required with: <ul style="list-style-type: none"> • Source Code "2". • The received date as the Amended Claims Date. • CII indicator "1". • Source Document Indicator "N". • "ME RESPONSE" in the remarks.

- (4) If the taxpayer substantiates some of the MEs on the amended return, but doesn't substantiate all the MEs on the account, see IRM 3.11.6.16.6 (3), Math Error Response Cases.

3.11.6.16.6.5
(01-02-2024)
Processing a Late Substantiated Protest to a Math Error Set on an Amended Return

- (1) A substantiated protest is considered late if it's received after the 60-day time period stated in IRM 3.11.6.16.6 (1), Math Error Response Cases.
- (2) When a late substantiated protest to a ME set on an amended return is received and there's not a -G freeze on the module, follow IRM 3.11.6.16.6.4, Processing a Timely Substantiated Protest to a Math Error Set on an Amended Return.

3.11.6.16.7
(09-04-2024)
Inputting a Disallowance Adjustment

- (1) Follow the table below when sending a Letter 105C:

If ...	Then ...
The disallowance is for PATH Act	<div><div>1. Input the adjustment as follows:</div><div><div>a. Use Blocking Series:</div><div><div>• 98 if the original return was paper filed.</div><div>• 99 If the original return was e-filed.</div></div></div><div><div>b. Input a TC 290 for .00.</div><div>c. Use Source Code 0.</div><div>d. Use the applicable Reason Code(s).</div><div>e. Use CII Indicator "1"</div><div>f. Use Source Document Indicator "N".</div><div>g. Input the appropriate remarks</div></div></div> <div><div>2. Correspond as follows:</div><div><div>a. Send a Letter 105C</div><div>b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page"</div><div>c. Leave a CII Case Note describing the issue.</div></div></div>

If ...	Then ...
<p>The claim is being disallowed per IRM 3.11.6.16.23, Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INVALID IDOC</p>	<ol style="list-style-type: none"> 1. Input the adjustment as follows: <ol style="list-style-type: none"> a. Use Blocking Series: <ul style="list-style-type: none"> • 98 if the original return was paper filed. • 99 If the original return was e-filed. b. Input a TC 290 for .00. c. Use Source Code 0. d. Use Hold Code 4 if the module is in a credit balance. e. Use the applicable Reason Code(s). f. Use CII Indicator "1" g. Use Source Document Indicator "N". h. Input the appropriate remarks 2. Correspond as follows: <ol style="list-style-type: none"> a. Send a Letter 105C with the fill-in: We're unable to verify the income or withholding amount claimed on your amended return. b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page" c. Leave a CII Case Note describing the issue.
<p>The disallowance is for all other claims</p>	<ol style="list-style-type: none"> 1. Input the adjustment as follows: <ol style="list-style-type: none"> a. Use Blocking Series: <ul style="list-style-type: none"> • 98 if the original return was paper filed. • 99 If the original return was e-filed. b. Input a TC 290 for .00. c. Use Source Code 0. d. Use the applicable Reason Code(s). e. Use CII Indicator "1". f. Use Source Document Indicator "N" g. Input the appropriate remarks. 2. Correspond as follows: <ol style="list-style-type: none"> a. Send a Letter 105C. b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". c. Leave a CII Case Note describing the issue.

(2) When the partial disallowance of a claim results in a balance due or zero-balance, send a Letter 105C as outlined in paragraph 1 and input the adjustment following Letter 106C adjustment procedures outlined in paragraph 3 below.

(3) Follow the table below when sending a Letter 106C:

Note: When sending Letter 106C the:

- “Amount of Claim” is the total the taxpayer is expecting.
- “We only allowed” amount is the result of the adjustment.

If ...	Then ...
The disallowance is for PATH Act	<ol style="list-style-type: none"> 1. Input the adjustment as follows: <ol style="list-style-type: none"> a. Use Blocking Series: <ul style="list-style-type: none"> • 18 if the original return was paper filed. • 00 If the original return was e-filed. b. Input a TC 29X for the corrected total tax. c. Use Source Code 1 d. Use the applicable Reason Code(s). e. Use CII Indicator “1” f. Use Source Document Indicator “N”. g. Input the appropriate remarks. 2. Correspond as follows: <ol style="list-style-type: none"> a. Send a Letter 106C. b. Print the C-Letter to PDF and attach it to the case with the “Attach File” button on the “Active Case Page”. c. Leave a CII Case Note describing the issue.

If ...	Then ...
The disallowance is for all other claims	<ol style="list-style-type: none"> 1. Input the adjustment as follows: <ol style="list-style-type: none"> a. Use Blocking Series: <ul style="list-style-type: none"> • 18 if the original return was paper filed. • 00 If the original return was e-filed. b. Input a TC 29X for the corrected total tax. c. Use Source Code 1. d. Use the applicable Reason Code(s). e. Use CII Indicator "1". f. Use Source Document Indicator "N". g. Input the appropriate remarks. 2. Correspond as follows: <ol style="list-style-type: none"> a. Send a Letter 106C. b. Print the C-Letter to PDF and attach it to the case with the "Attach File" button on the "Active Case Page". c. Leave a CII Case Note describing the issue.

3.11.6.16.8
(09-22-2023)
Estimated Tax Penalty (ETP)

- (1) Estimated tax penalty (ETP) is computed based on the tax shown on the taxpayer's original filed return. However, if the taxpayer files a superseding return, the penalty is computed on the tax shown on that superseding return.
- (2) The ETP is posted as a TC 170 or TC 176.
 - A TC 170 is a manual assessment of an ETP by the IRS, or a self-assessment via Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts.
 - A TC 176 is a computer-generated assessment of an ETP.
- (3) Route to AM if the taxpayer is requesting a change to the ETP for the following:
 - A filing status change to married filing jointly (FS 2)
 - A change in withholding
 - A checked box A, B, or E in Part II, Form 2210

Note: If routing a return to EXAM or CAT-A, do not correspond for a Form 2210.

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not attached **or** none of the boxes in Part II are checked:

- Do not adjust the penalty
- Adjust the return for all other allowable issues
- Send Letter 369C per IRM 3.11.6.10.9, Correspondence for Estimated Tax Penalty (Letter 369C).

- (5) Math verify the ETP using the AMS worksheets when Form 2210 is attached and at least one of the boxes in Part II is checked. If the difference between the AMS penalty amount and the taxpayer's amount is:

IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

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- (6) If you're unable to math verify the ETP, correspond per IRM 3.11.6.6, Master File Verification and Math Verification.

- (7) To adjust the ETP use:

- TC 170 to increase the penalty
- TC 171 to decrease the penalty
- RC 065 is required when a TC 17X is input

If the ETP is reducing, include a Penalty Reason Code (PRC) in the fourth position, see below:

If ...	And ...	Then use ...
A TC 170 is posted on the account	1. The taxpayer is filing a superseding return 2. The ETP is being adjusted because the taxpayer or IRS is providing a corrected computation. For example, if the IRS is adjusting withholding or estimated payments, and IRS is manually correcting the ETP.	1. PRC 010 2. PRC 016
A TC 176 is posted on the account	The ETP is being adjusted due to either of the following: <ul style="list-style-type: none"> • The taxpayer is filing a superseding return or • The taxpayer is providing their own penalty computation on Form 2210 	PRC 013
A TC 170 or 176 is posted on the account	Correcting an IRS computational error in the ETP computation	PRC 045

3.11.6.16.9
(09-04-2024)

**Form 4442 and E-4442,
Inquiry Referrals**

- (1) Submission Processing (SP) may receive a Form 4442, Inquiry Referral, or an E-4442 from another Business Operating Division (BOD) regarding cases in SP 1040-X inventories. These referrals must be expedited and addressed within 20 days of receipt regardless of how they are received.

Note: Review AMS for E-4442 referrals.

If ...	And ...	Then ...
Form 4442 or E-4442 is received	The referral is requesting the case be transferred to the requestor	Route or reassign the case to requestor as requested.
Form 4442 or E-4442 is received	The referral is requesting the case be transferred to another area	Route or reassign the case to the other area as requested with the referral.

If ...	And ...	Then ...
Form 4442 or E-4442 is received	The referral is requesting an action be taken on the account that doesn't meet SP criteria	Route or reassign the case to AM with the referral.
Form 4442 or E-4442 is received	The referral is requesting an adjustment action be taken on the account that meets SP criteria	<p>Process as normal and complete Part III Section A, items 26 through 29, and C, item 31, on the referral.</p> <p>Note: In the Response/Final Resolution section, briefly describe the adjustment action taken.</p> <p>Example: Adjusted EIC and CTC as requested on Form 1040-X.</p>

3.11.6.16.10
(01-02-2024)

Decedent Returns

- (1) Submission Processing only processes balance due and zero-balance decedent 1040-X returns.
 - (2) Indications of a deceased taxpayer may include any of the following:
 - a. Date of death is present
 - b. "Deceased" written on the top of the form
 - c. "Deceased, Filing as surviving spouse," or similar notation in the signature area
 - d. Death certificate, Form 1310, or other documentation is attached
 - e. "DECD" on an IRS label or written after a person's name
 - f. "Estate of" is present
 - (3) Send the following to AM:
 - a. Refund returns for deceased taxpayers
 - b. If MFR 08 is present on CC INOLES indicating the primary taxpayer is deceased
 - c. Returns with Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, attached
 - (4) If the signature of the deceased taxpayer is present on the signature line of the return, the signature must precede the date of death of the taxpayer. If it doesn't, correspond for a valid signature.
 - (5) If the return isn't signed by a surviving spouse, an executor, or an administrator, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
- Reminder:** On MFJ claims, the surviving spouse must sign as a surviving spouse. Correspond if missing.
- (6) If correspondence is required, don't address the correspondence to the deceased taxpayer.

- a. If the return is filing status 2, then address correspondence to surviving spouse
- b. For all other filing status, address correspondence with "Estate of" placed in front of the taxpayer's name (e.g., Estate of John Smith Decd)

Note: A Power of Attorney (POA) becomes void upon taxpayer's death.

(7) Documentary evidence isn't required for the authority to sign the following:

- a. Balance due returns
- b. Zero balance returns
- c. Married filing joint (FS 2) or married filing separate (FS 3) returns signed by the surviving spouse

3.11.6.16.11
(02-17-2023)

**Form 8857, Request for
Innocent Spouse Relief**

- (1) Process Form 8857, Request for Innocent Spouse Relief, or Form 1040-X referencing innocent spouse (with or without Form 8857 attached) per the following table.

If ...	Then ...
Innocent spouse is the only issue	Process the case as follows: <ol style="list-style-type: none"> a. Input a TC 290 .00, Blocking Series 05 and no RC. b. Input a TC 470 for all years listed on Form 8857, Request for Innocent Spouse Relief. Include closing code 90 if the "SC-STs." field on CC TXMODA is other than "26". c. Input a case note stating, "TC 470 has been input." If closing code "90" was input, include it in the case note. d. Complete Form 4442, Inquiry Referral, stating "TC 971 AC 065 is required due to receipt of Form 8857 available on (RRD or CII as appropriate)." e. Fax Form 4442 to the Cincinnati Centralized Innocent Spouse
Other issue(s) present	Process the case as follows: <ol style="list-style-type: none"> a. Input the adjustment. b. Input a TC 470 for all years listed on Form 8857, Request for Innocent Spouse Relief. Include closing code 90 if the "SC-STs." field on CC TXMODA is other than "26". c. Input a case note stating, "TC 470 has been input." If closing code "90" was input, include it in the case note. d. Complete Form 4442, Inquiry Referral, stating "TC 971 AC 065 is required due to receipt of Form 8857 available on (RRD or CII as appropriate)."

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3.11.6.16.12
(01-02-2024)

**Form 8379, Injured
Spouse Allocation**

- (1) Input a TC 971 AC 071 and send the case to AM if:
- The taxpayer files a return with the sole purpose of filing the Injured Spouse Claim
 - The return needs a corrected adjustment
 - The return doesn't meet SP criteria
 - Form 8379, Injured Spouse Allocation, is loose

- The taxpayer indicates an Injured Spouse Allocation but doesn't submit Form 8379
- (2) If the taxpayer files Form 8379 Injured Spouse Allocation, with their return that has a processable adjustment:
- a. Input the adjustment as "No Source Document" (NSD).
 - b. If the adjustment results in a credit balance or the account is in a credit balance, include a hold code 1 with the adjustment to prevent refund issuance, this applies to both MFT 30 and MFT 35.
- Note:** If there's a refund for MFT 30 and 35 and Form 8379 is attached/indicated, don't input a credit transfer. Send the case to AM.
- c. Input a TC 971 AC 071.
 - d. Upon completion of the processable adjustment, send the entire case to Injured Spouse.

Note: Correspond for missing information or signature(s) per normal procedures. See IRM 3.11.6.10, Correspondence Procedures.

3.11.6.16.13
(07-28-2022)
Form 8938, Statement of Specified Foreign Financial Assets

- (1) A Transaction Code (TC) 971 Action Code (AC) must be input on all cases with a Form 8938, Statement of Specified Foreign Financial Assets, attached. Input a TC 971 AC 698 even when routing.
- (2) If Form 8938, Statement of Specified Foreign Financial Assets, is the only issue, input a TC 290 for .00. If other issues are involved, process as normal and keep Form 8938, Statement of Foreign Financial Assets with claim.

3.11.6.16.14
(01-02-2024)
Returns With an Individual Taxpayer Identification Number (ITIN)

- (1) PATH Act requirements may apply, see IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (2) Cases with an ITIN can be received from:
 - The ITIN unit after the taxpayer has gone through the ITIN process. These returns can be identified by a W-7 stamped in the bottom left corner of the return.
 - The taxpayer files an amended return that didn't need to go through the ITIN process.
- (3) Cases that have an Individual Taxpayer Identification Number (ITIN) present require additional research for each ITIN to determine the following.
 - a. If the ITIN status is:
 - Active
 - Inactive
 - Unvalidated
 - b. If the ITIN unit has indicated:
 - "ITIN Reject"
 - "No W-7"
 - c. If the ITIN has been timely issued by the ITIN unit.
 - d. If another TIN has been used for each ITIN on the return.

3.11.6.16.14.1
(04-25-2024)

**Returns Received From
the ITIN Unit (Form W-7)**

- (1) When a return has a red W-7 stamped in the bottom left corner of the return it has been received from the ITIN Unit. Signature correspondence isn't required when a return has been received from the ITIN unit.

Note: On CII cases, the stamp looks black and white.

- (2) If the taxpayer has submitted a copy of a previously filed Form 1040 and the address is different from IDRS, research CC FINDSD. If CC FINDSD has a subsequent address update since the original filing, then don't update the address.
- (3) If the primary taxpayer, or secondary taxpayer if married filing joint, has a newly issued ITIN, research for a different TIN.
- (4) After the TIN research has been completed, process the return using the following instructions when a TC 150 is posted.

And ...	Then ...
The return is a duplicate return.	Input a TC 290 .00 with no reason code.
The Primary (or Secondary) TIN is different than found on the return	Capture an IMFOLR screen print (for each TIN, if more than one) for the case, leave a case note stating "ITIN/IRSN DUPE", and send the case to AM.
The Primary (or Secondary) TIN is the same as the original filing, and other issues are present	Process the return as an amended return.

- (5) After the TIN research has been completed, process the return using the following instructions when a TC 150 isn't posted.

If ...	Then ...
There's more than one TIN for the taxpayer	Send the case to Batching.
The return contains an IRSN for the primary taxpayer, but an ITIN/SSN is found	Circle the primary taxpayer's IRSN, edit the ITIN/SSN to the return then send the case to Batching.
The return contains an ITIN for the primary taxpayer and an SSN is found	Circle the primary taxpayer's ITIN, edit the SSN then send the case to Batching.

- (6) When "ITIN REJECT" is stamped or "No W-7" is indicated for the primary taxpayer box take the following action:

In ...	Then ...
You can't locate a TIN after researching IDRS	Send the case to Batching.
You find the correct TIN	Update the "Case Data" to the correct TIN. Then continue processing the case.

- (7) If "ITIN REJECT" is stamped or "No W-7" is indicated for the secondary taxpayer, take the following action:

If ...	Then ...
You can't locate a TIN after research and income subject to SE Tax is reported for the secondary taxpayer	Send the case to Batching.
You can't locate a TIN after research and a math error already exists for the secondary TIN	Input per paragraphs 10, 11, and 12 below. Allow the standard deduction and don't allow the exemption.
You can't locate a TIN after research and none of the previous conditions exist	Input per paragraphs 10, 11, and 12 below. Allow the standard deduction and don't allow the exemption.
You locate a TIN after research	Continue processing.

- (8) If "ITIN REJECT" is stamped or "No W-7" is indicated for the dependent(s) take the following action:

If ...	Then ...
There's a math error for the dependent	See paragraph 10 below and 11 if applicable.
There's not a math error for the dependent	See paragraph 10 below and 11 if applicable.

- (9) If the dependent(s) has a newly issued ITIN(s), follow normal 1040-X procedures.

Exception: If the TIN the ITIN unit assigned doesn't match CC INOLES, research CC NAMES for the correct TIN. If unable to determine, send the case to the ITIN department, Stop 6085 AUSC with "ITIN N/C mismatch" in the Remarks area or Comments field.

- (10) If a return is received from the ITIN department that is workable:
- Input any allowable adjustment(s). See IRM 3.11.6.16.6, Math Error Response Cases, for inputting a substantiated math error response. PATH Act criteria applies for certain credits.
 - Include entity changes.
 - Update the DUPOL database if necessary.
 - Enter the appropriate reason code(s).
 - Enter the date from Form 3471-E, if attached, as the Amended Claims Date. If the case is a substantiated math error response, see IRM 3.11.6.16.6, Math Error Response Cases, to determine the appropriate Amended Claims date.
- (11) When the allowable adjustment changes the taxpayer's expected refund or balance due:

Reason for Change	Action
ITIN Reject	<p>Send an informational Letter 178C with fill-in: Your amended return isn't being sent back with this letter. You should've received a separate notice informing you that one or more of your Form W-7, Application for IRS Individual Taxpayer Identification Number, applications were rejected. This caused a change to your amended return.</p> <p>Exception: If the issue is related to the spouse's ITIN being rejected, see paragraph below for additional processing instructions.</p>
<p>For any math error (ME) related to the dependents/credit because the ITIN was rejected</p> <p>Or</p> <p>They didn't have an application, "No W-7"</p> <p>Or</p> <p>They have a newly issued ITIN</p>	<p>Process for the dependents if applicable and send an informational Letter 178C with fill in: Your amended return isn't being sent back with this letter. The PATH Act prohibits taxpayers from retroactively claiming certain TIN related credits for any tax year in which the taxpayer, spouse, or qualifying child didn't have a valid SSN assigned, or ITIN/ATIN application, received by the return due date or due date as extended. This may have caused a change to your amended return.</p>
Path Act disallowance	<ol style="list-style-type: none"> Correspond per IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP). Input a TC 971 AC 113 per IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
Math error(s) for issues other than ITIN rejects	<ol style="list-style-type: none"> Process per IRM 3.11.6.16.5, Inputting a Corrected Adjustment. Use the date from Form 3471-E, Edit Sheet, if attached, as the Amended Claims Date.

(12) When using xMend to allow the FSC 2 change and the spouse has "ITIN REJECTED":

- Enter all zeros for the spouse's TIN (000-00-0000) in xMend.
- When reviewing the Entity change on CC INCHG remove the zeros then transmit.

3.11.6.16.14.2
(01-02-2024)

**Individual Taxpayer
Identification Number
(ITIN) Status**

(1) Verify the current status of each ITIN on the return as of today's date using CC INOLES. The status indicators are:

- A - Active
- I - Inactive
- U - Unvalidated

- (2) If any ITIN is unvalidated, send the case to AM.
- (3) If the number of dependents or the following credits are increasing, the ITIN must be in "A" status for the primary taxpayer, the secondary taxpayer (if applicable), and the dependent(s). For the Child and Dependent Care Credit for dependents, the ITIN status applies to the individual(s) claimed.
- Child Tax Credit (CTC)
 - Additional Child Tax Credit (ACTC)
 - Credit for Other Dependents (ODC)
 - Education Credits
 - Lifetime Learning Credit (LLC)
 - American Opportunity Tax Credit (AOTC)
 - Dependents
 - Child and Dependent Care Credit
- (4) For any inactive ITIN(s), the dependent or credit increases are not allowed.
- (5) Use this table to determine processing based on the ITIN status:

Note: If a -R freeze is present on a module and the account remains in a credit balance after your adjustment, use a hold code "1".

ITIN Status	And ...	Then ...
All ITINs are Active		a. If a math error is present, follow math error response procedures to resolve the math error for any associated active ITIN. b. If no math error is present, continue processing.
One or more ITIN(s) is Inactive	The entire return is unprocessable because of an increase to a credit that is based on an inactive ITIN	Input a TC 290 for .00 and send Letter 178C per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins.
One or more ITIN(s) is Inactive	Some issues are processable	Process any allowable adjustment unrelated to the inactive ITIN(s). If the allowable adjustment changes the taxpayer's expected refund/balance due, correspond per IRM 3.11.6.11, Correspondence Table of Issues, C-Letters and Paragraph Fill-ins. Caution: If a TIN related math error was set on the original return, use source code 2 on the adjustment.

- (6) When the adjustment changes the expected refund or balance due and:

Reason for change	Action
Inactive ITIN	Process per paragraph 5 above.

Reason for change	Action
PATH Act disallowance	Send a Letter 105C or Letter 106C. See IRM 3.11.6.10.5, Correspondence for Disallowing a Claim (Letter 105C, Letter 105SP, Letter 106C, and Letter 106SP), and input the TC 971 AC 113 per IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
Math error(s) for issues other than the inactive or unvalidated ITIN	Process following IRM 3.11.6.16.5, Inputting a Corrected Adjustment.

3.11.6.16.15
(07-22-2024)

Computer Paragraph (CP) Notices

- (1) The Computer Paragraph (CP) notices listed below are generated based on criteria from the original return and are processed by SP 1040-X tax examiners. Generally, a CP notice response is considered an informal claim and are processed following normal procedures.
 - (2) Starting January 27, 2023, taxpayers that receive a CP 08 or CP 09 may respond to these notices using the Document Upload Tool (DUT). SP 1040-X tax examiners process CP notice responses received through the DUT using Correspondence Imaging Inventory (CII). The DUT isn't available for CP 27 responses.
- Note:** There are differences when processing CP notice response depending on the format in which it is received. The differences are in how a case is sent to another area and how the case adjustment is input into the Integrated Data Retrieval System (IDRS).
- (3) Don't send CP 08, CP 09, or CP 27 responses to CAT-A.
 - (4) Don't suspend CP 08, CP 09, or CP 27 responses to Statute. If the notice response is received after the RSED, the claim must be worked following procedures in IRM 3.11.6.16.1, Processing Statute Cases.
 - (5) If there's an indication on the CP notice response that the taxpayer isn't eligible for the specific credit (no other issues involved) and a reply isn't necessary, treat the case as classified waste. See IRM 3.11.6.16.22, Classified Waste.

Note: If some of the children qualify the taxpayer for the credit but others don't, then process the CP notice for the qualifying child(ren).

Caution: Occasionally taxpayers get confused with the earned income and excess investment income statement and check the box on CP 09, Form 15111, Earned Income Credit Worksheet (CP 09), CP 27 and Form 15112, Earned Income Credit Worksheet (CP 27). Refer to IRM 3.11.6.16.15.2, CP 09, Earned Income Credit - You May Be Entitled to EIC, and Form 15111, Earned Income Credit Worksheet (CP 09), and Form 15111, or, CP 27, EIC Potential for T/P Without Qualifying Children, and Form 15112, Earned Income Credit Worksheet (CP 27), as appropriate, when the earned income and excess investment income statement box is checked.

- (6) If a CP notice is received and there isn't a TC 150 on the module for the related tax year, take the following action:

If ...	Then ...
A CP 08 or Form 15110 is received	Send Letter 76C with the fill-in: We disallowed your claim for the Additional Child Tax Credit because we haven't received your original return. You may be eligible to claim this credit on your original return.
A CP 09 or Form 15111 is received	Send Letter 76C with the fill-in: We disallowed your claim for the Earned Income Tax Credit because we haven't received your original return. You may be eligible to claim this credit on your original return.
A CP 27 or Form 15112 is received	Send Letter 76C with the fill-in: We disallowed your claim for the Earned Income Tax Credit because we haven't received your original return. You may be eligible to claim this credit on your original return.

- (7) Edit your Tax Examiner (TE) number in the top left margin of CP notice response when documents are being detached, when printing a paper copy, rerouting, sending an e-fax, or secure message.
- (8) The CP 08 and Form 15110, Additional Child Tax Credit Worksheet, CP 09 and Form 15111, Earned Income Credit Worksheet (CP 09), CP 27 and Form 15112, Earned Income Credit Worksheet (CP 27), signature requirement differs by tax year.
- A signature isn't required for tax years 2022 and subsequent, and the signature area on Form 15110 and Form 15111 has been removed.
Caution: For tax years 2022 and subsequent, Form 15112 is required to be signed. If the signature is missing, follow the table in paragraph 11 below.
 - A signature is required for tax years 2021 and prior in the signature area on either the CP 08 or Form 15110, CP 09 or Form 15111, and CP 27 or Form 15112. If the signature is missing, follow the table in paragraph 11 below.
- (9) If the taxpayer alters the address on a CP notice and an address change can be made per IRM 3.11.6.12.1.1, Address Changes, then use CC INCHG to update the taxpayer address.
- (10) Use the AGI and earned income (EI) from the Per Computer Column of CC RTVUE for CP Notice calculations. If there's a previously posted adjustment on

IDRS, review the adjustment to determine if the CP notice issue has already been adjusted. If the CP notice has already been adjusted, treat as classified waste. See IRM 3.11.6.16.22, Classified Waste.

- (11) Don't include an amended claims date on CP notice adjustments.
- (12) If a response to CP notice is incomplete, correspond.

If ...	Then ...
The signature is missing	Correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and use the fill in: We're unable to process your CP XX, for tax year 20XX because it wasn't signed. Please complete Form 1511X, and return it to us along with this letter, Letter 178C.
Form 1511X is incomplete	Correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and use the fill in: We're unable to process your CP XX, for tax year 20XX. Please complete Form 1511X, and return it to us along with this letter, Letter 178C.
Schedule 8812 is missing	Correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and use the fill in: We're unable to process your CP 08, for tax year 20XX because Schedule 8812 is missing. Please complete Schedule 8812, and return it to us along with this letter, Letter 178C.

Note: If the taxpayer's response is still incomplete, send Letter 916C per IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).

- (13) If a Form 1040-X is received and the taxpayer has been sent a CP 08, CP 09, or CP 27, refer to IRM 21.6.3.4.2.7.8, Earned Income Tax Credit (EITC) - CP 09 / CP 27, or IRM 21.6.3.4.2.8.3, Additional Child Tax Credit (ACTC) - CP 08, as appropriate.
- (14) If there's a previously posted adjustment on IDRS, review the adjustment to determine if the CP notice issue has already been adjusted. If the CP notice has already been adjusted, treat the CP notice as classified waste. See IRM 3.11.6.16.22, Classified Waste.

3.11.6.16.15.1
(01-02-2024)
CP 08, You May Qualify for Child Tax Credit (CTC), and Form 15110, Additional Child Tax Credit Worksheet

- (1) Taxpayers are issued a CP 08, informing them of their potential eligibility to claim the Additional Child Tax Credit (ACTC). The following are required for tax year:
 - 2020 and later, Form 15110 and *Schedule 8812* must be attached to the CP 08 response.
 - 2019, *Schedule 8812* must be attached to the CP 08 response.

- (2) If a taxpayer submits CP 08 or Form 15110 without the Schedule 8812 when required, correspond for the missing schedule per IRM 3.11.6.16.15, Computer Paragraph (CP) Notices.
- (3) For CP 08 or Form 15110 signature requirements, see IRM 3.11.6.16.15 (8), Computer Paragraph (CP) Notices.
- (4) Path Act criteria may apply to this credit. See IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (5) Partially or completely deny the claim per paragraph 7 below if:
 - the taxpayer claims additional children on the CP 08 for whom the taxpayer didn't claim a dependency exemption on the original return
 - the taxpayer claims any children on the CP 08 for whom a dependency exemption was disallowed to the taxpayer
 - the taxpayer doesn't meet all of the qualifications for the CTC in IRM 3.11.6.14.2.2.6, Child Tax Credit (CTC)
- (6) Compute the amount of the credit based on the qualifying children claimed on the CP 08 or Form 15110 that meet the following criteria:
 - a. The same children were allowed as dependents on the original return.
 - b. The children are less than 17 years old at the end of the calendar year.
- (7) Follow the procedures below to process CP 08 and Form 15110 claims:

If ...	Then ...
The taxpayer claims a child or children that not claimed on the original return	<ol style="list-style-type: none"> 1. Input the adjustment for the child or children claimed on the original return that qualify. Use: <ol style="list-style-type: none"> a. BS 05. b. TC 290 for .00. c. SC 1. d. RC 061. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Priority Code 3. g. CRN 336 to allow the credit for the qualifying child(ren). h. Don't input the amended claims date. 2. Send Letter 76C per IRM 3.11.6.10.7 (2), Correspondence for Requesting Credit Previously Received (Letter 76C).

If ...	Then ...
The taxpayer claims a child or children disallowed as an exemption the original return	<ol style="list-style-type: none"> Input the adjustment for the child or children claimed on the original return that qualify. Use: <ol style="list-style-type: none"> BS 05 TC 290 for .00 SC 1 RC 061 HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Guidance. Priority Code 3 to allow interest to be systemically calculated as an IRS initiated adjustment. CRN 336 to allow the credit for the qualifying child(ren). Do not input the amended claims date. Send Letter 76C per IRM 3.11.6.10.7 (2), Correspondence for Requesting Credit Previously Received (Letter 76C).
The child or children were claimed on the original return and qualify for the credit	<p>Allow the claim and input the adjustment as follows:</p> <ol style="list-style-type: none"> BS 05 TC 290 for .00 SC 1 RC 061 Use HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Guidance. Use Priority Code 3 to allow interest to be systemically calculated as an IRS initiated adjustment. Use CRN 336 to allow the credit for the qualifying child(ren). Do not input the amended claims date.
There are other issues in addition to the taxpayer claiming more children on the CP 08 or Form 15110 than were claimed on the original return	Send the case to AM.

- (8) If the taxpayer requests direct deposit, correspond per IRM 3.11.6.14.6.1 (4), Direct Deposit.

3.11.6.16.15.2
(02-06-2024)

CP 09, Earned Income Credit - You May Be Entitled to EIC, and Form 15111, Earned Income Credit Worksheet (CP 09)

- Taxpayers are issued a CP 09, informing them of their potential eligibility to claim the Earned Income Tax Credit (EITC).
- All CP 09 responses for tax year 2020 require correspondence. The dependent qualification questions on Form 15111, Earned Income Credit Worksheet (CP 09), with revision date March 2021, is asking about the incorrect year. Certain CP 09 responses for tax year 2021 also require correspondence. The second dependent qualification question for "Dependent Number 3" on Form 15111, Earned Income Credit Worksheet (CP 09), with revision date January 2022, has an incorrect qualifying date.

If the CP 09 response is for tax year ...	Then ...
2020	Correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and use the fill in: We apologize for the delay in processing your CP 09, Earned Income Credit, claim for tax year 2020. Please complete Schedule EIC, Earned Income Credit, for tax year 2020, and return it to us along with this letter, Letter 178C.
2021	Correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and use the fill in: We apologize for the delay in processing your CP 09, Earned Income Credit, claim for tax year 2021. Please complete Schedule EIC, Earned Income Credit, for tax year 2021, and return it to us along with this letter, Letter 178C.

- (3) PATH Act criteria may apply to this credit. See IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).
- (4) Follow instructions in IRM 3.11.6.14.4.1, Earned Income Tax Credit (EITC) Eligibility Criteria, and IRM 3.11.6.14.4.3, Taxpayer with Qualifying Child(ren) on Schedule EIC, for determining taxpayer's EITC eligibility.

Note: Occasionally taxpayers get confused with the earned income and investment income statement and check the box. If CC IRPTR verifies earned income, continue processing the claim.

- (5) For CP 09 or Form 15111 signature requirements, see IRM 3.11.6.16.15 (8), Computer Paragraph (CP) Notices.
- (6) Compute the EITC amount using IDRS CC EICMP definer "R" or the EIC worksheet on AMS then adjust the account accordingly.

Note: The Additional Child Tax Credit may have to be recomputed if EITC is allowed and the taxpayer claimed three or more qualifying children for the Child Tax Credit.

- (7) If the CP 09 response is for the current year, update Command Code DUPED when allowing the EITC.
- (8) Follow the procedures below to process CP 09 or Form 15111 claims:

If ...	And ...	Then ...
The child or children weren't claimed on the original return	No other qualifying child from the original return is being claimed.	Deny the claim. 1. Input the adjustment as follows: a. BS 05. b. TC 290 for .00. c. SC 0. d. RC 054. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Don't input the amended claims date. 2. Send Letter 76C per IRM 3.11.6.10.7 (3), Correspondence for Requesting Credit Previously Received (Letter 76C).
A child wasn't claimed on the original return	There's a qualifying child that was claimed on the original return.	Partially deny the claim. 1. Input the adjustment as follows: a. BS 05. b. TC 290 for .00. c. SC 1. d. RC 017 and 053. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Use Priority Code 3. g. Use CRN 764 to allow the credit for the qualifying child(ren). h. Don't input the amended claims date. 2. Send Letter 76C per IRM 3.11.6.10.7 (3), Correspondence for Requesting Credit Previously Received (Letter 76C).
The child or children were claimed on the original return	The child or children aren't eligible for EITC based on eligibility criteria or our computations Exception: If the child or children claimed are not eligible, verify if the taxpayer(s) are eligible. If determined to be eligible, follow instructions in the next row.	Deny the claim. 1. Input the adjustment as follows: a. BS 05. b. TC 290 for .00. c. SC 0. d. RC 054. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Don't input the amended claims date. 2. Send Letter 76C per IRM 3.11.6.10.7 (3), Correspondence for Requesting Credit Previously Received (Letter 76C).

If ...	And ...	Then ...
The child or children were claimed on the original return and aren't eligible	The taxpayer is eligible for EITC based on eligibility criteria and our computations	Allow the claim for the taxpayer(s) and input the adjustment as follows: a. BS 05. b. TC 290 for .00. c. SC 1. d. RC 017 and 053. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Use Priority Code 3. g. Use CRN 764 to allow the credit. h. Don't input the amended claims date.
The child or children were claimed on the original return	The child or children are eligible for EITC based on eligibility criteria and our computations	Allow the claim for the taxpayer(s) and input the adjustment as follows: a. BS 05 b. TC 290 for .00 c. SC 1 d. RC 017 and 053 e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Guidance. f. Use Priority Code 3 to allow interest to be systemically calculated as an IRS initiated adjustment. g. Use CRN 764 to allow the credit for the qualifying child(ren). h. Do not input the amended claims date.

- (9) If the taxpayer requests direct deposit, correspond per IRM 3.11.6.14.6.1 (4), Direct Deposit.

3.11.6.16.15.3
(02-06-2024)

CP 27, EIC Potential for Taxpayer Without Qualifying Children, and Form 15112, Earned Income Credit Worksheet (CP 27)

- (1) Taxpayers are issued a CP 27, informing them of their potential eligibility to claim the Earned Income Tax Credit (EITC).
- (2) Certain CP 27 responses for tax year 2021 require correspondence. Some taxpayers received Form 15112, Earned Income Credit Worksheet (CP 27), with revision date March 2021, which asks qualifying questions for tax year 2020. If a CP 27 response for tax year 2021 is received with Form 15112 with revision date of March 2021, correspond per IRM 3.11.6.10.4, Corresponding on Net Refund and Zero-Balance Returns (Letter 178C), and use the fill in: **We apologize for the delay in processing your CP 27, Earned Income Credit, claim for tax year 2021. Please complete Form 15112, Earned Income Credit Worksheet (CP 27), for tax year 2021, and return it to us along with this letter, Letter 178C.**
- (3) PATH Act criteria may apply to this credit. See IRM 3.11.6.4.4.1, Protecting Americans from Tax Hikes (PATH Act).

- (4) For CP 27 or Form 15112 signature requirements, see IRM 3.11.6.16.15 (8), Computer Paragraph (CP) Notices.
- (5) Follow instructions in IRM 3.11.6.14.4.1, Earned Income Tax Credit (EITC) Eligibility Criteria, for determining taxpayer's EITC eligibility.
- (6) Compute the EITC amount using IDRS CC EICMP definer "R" or the EIC worksheet on AMS then adjust the account accordingly.
- (7) Follow the procedures below to process CP 27 or Form 15112 claims:

If ...	Then ...
The taxpayer(s) don't qualify for the credit	<p>Deny the claim.</p> <ol style="list-style-type: none"> 1. Input the adjustment as follows: <ol style="list-style-type: none"> a. BS 05. b. TC 290 for .00. c. SC 0. d. RC 054. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Don't input the amended claims date. 2. Send Letter 76C per IRM 3.11.6.10.7 (4), Correspondence for Requesting Credit Previously Received (Letter 76C).
The taxpayer(s) qualify for the credit	<p>Allow the claim and input the adjustment as follows:</p> <ol style="list-style-type: none"> a. BS 05. b. TC 290 for .00. c. SC 1. d. RC 017 and 053. e. HC 4 if a refund on the module is being held by Return Integrity Verification Operations (RIVO). Refer to IRM 3.11.6.7.14, Return Integrity and Verification Operation (RIVO) Screening. f. Use Priority Code 3. g. Use CRN 764 to allow the credit. h. Don't input the amended claims date.

- (8) If the taxpayer requests direct deposit, correspond per IRM 3.11.6.14.6.1 (4), Direct Deposit.

3.11.6.16.16
(07-22-2024)

Processing Loose Form 8606, Nondeductible IRAs

- (1) TC 150 research is required. See IRM 3.11.6.5.1, Transaction Code (TC) 150 Research (No TC 150).
- (2) If the taxpayer has an amount on line 15b or 25b of Form 8606, Nondeductible IRAs, send the case to AM.
- (3) Form 8606 processed as a loose form doesn't require Statute clearance.
- (4) Follow instructions below for processing loose Form 8606.

If ...	Then ...
A return was filed	Input the adjustment with RC 016.

If ...	Then ...
No return was filed (TC 150)	<ul style="list-style-type: none">a. Leave a case note stating, "Loose Form 8606", and close the CII case.b. If tax is indicated by entries on line 15c, 18, or 25c, send the case to AM.
Taxpayer submits \$50 penalty payment	<ul style="list-style-type: none">a. Send Letter 474C with the fill-in: We're returning your payment of \$50.00 submitted with the Form 8606, Non-deductible IRAs, because the penalty isn't currently being assessed.b. Input TC 290 .00 BS 05 RC 016. Note: The TC 290 .00 releases the payment for refund.

3.11.6.16.17
(01-02-2024)
Prisoner Returns

- (1) IDRS CC FTBOL definer P indicates whether a taxpayer is or has been incarcerated (prisoner) and the release date if appropriate. CC FTBOL may not always pick up that a claim is from a prisoner. Other indications of a prisoner return are:
- TC 971 AC 123 with one of the following MISC field descriptions indicates a full-year prisoner:
 - 1040X FYP Both
 - 1040X FYP Primary
 - 1040X FYP Secondary
 - Marking on envelope that indicates prisoner mail
 - PRI written on claim or Form 1040, line 1.
 - Form W-2 indicates wages earned in prison or the address indicates a prison or other correctional facility
 - Address on return or envelope identifies a prisoner
 - Address on 1098-T identifies a prisoner or a prison or other correctional facility
- (2) A person is considered a full year prisoner if CC FTBOLP indicates the person was incarcerated as follows:

#

Date of Release (DOR) isn't necessary. This includes married filing jointly returns.

- (4) If a full-year prisoner claims the Earned Income Tax Credit, Additional Child Tax Credit when claiming one or two children, Form 8863, Education Credits, or if income earned while incarcerated is used to qualify for a credit, send a Letter 916C, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP) with the fill-in: **Our records indicate that you're a prisoner and therefore don't qualify for certain credits.**
- (5) If taxpayer isn't a full-year prisoner and there's no indication they were paid for work while incarcerated, follow table below.

If ...	Then ...
IRPTR data is available for the year of the tax return and the return verifies	Continue processing claim.
IRPTR data isn't available for the tax year of the return or unable to verify wages	Input a TC 290 .00 and send Letter 916C, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP), using fill-in: We can't verify your claim for wages or withholding. Please verify your information.

Reminder: On a married filing jointly return verify CC IRPTR information for both spouses.

3.11.6.16.18
(02-06-2024)

Exam Soft Notices - CP 87, CP 87A, CP 87B, CP 87C, and CP 87D

- (1) CP 87, Exam Dupe Taxpayer Identification Notice (TIN) Notice, is a soft notice sent by Exam based on rules that apply when two or more taxpayers claim the same individual for the EITC or an exemption under IRC 151. These notices inform the taxpayer that they've claimed one of the various tax benefits for a qualifying child, exemption, and filing status. When one of these notices is attached to an amended return, process the case following normal procedures.

Note: A TC 971 AC 138 generates when one of the Exam soft notices listed below is generated.

- CP 87A, We Need to Verify Your Dependents or Qualifying Child. Taxpayer claimed an exemption and/or qualifying child for EITC that is duplicated on another return.
- CP 87B, Exam DUPE TIN Notice - Please Help Us Confirm You Can Claim Yourself. Taxpayer claimed an exemption for themselves, and another taxpayer also claimed the exemption.
- CP 87C, We Need to Verify Your Dependents. Taxpayer claimed an exemption that is claimed on another return. The exemption claimed is over the age of 23 and filed a tax return reporting more than the exemption amount in gross income.
- CP 87D, We Need to Verify Your Dependents. Taxpayer claimed an exemption for self and is also claimed on a joint return.

3.11.6.16.19
(01-02-2025)

Taxpayer Advocate Service (TAS) Cases

- (1) The *Taxpayer Advocate Service* is an independent organization within the Internal Revenue Service (IRS), led by the National Taxpayer Advocate, that helps taxpayers and protects taxpayer rights. TAS offers free help to taxpayers when a tax problem is causing a financial difficulty, when they've tried and been unable to resolve their issue with the IRS, or when they believe an IRS system, process, or procedure just isn't working as it should. TAS strives to

ensure that every taxpayer is treated fairly and knows and understands their rights under the *Taxpayer Bill of Rights*. TAS has at least one taxpayer advocate office located in every state, the District of Columbia, and Puerto Rico.

- (2) The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For more information about the TBOR, see <https://www.irs.gov/taxpayer-bill-of-rights>.
- (3) Review all attachments for taxpayer notations and correspondence to determine whether the taxpayer meets TAS case criteria per IRM 13.1.7.3, TAS Case Criteria, or requests TAS assistance. Also see IRM 13.1.7.4, Exceptions to Taxpayer Advocate Service Criteria. TAS criteria is defined as any of the following:

Note: The *TAS Case Criteria Determination Tool* is helpful when determining if a taxpayer meets the requirements to be referred to TAS.

- Taxpayer is experiencing economic harm or is about to suffer economic harm.
 - The taxpayer is facing an immediate threat of adverse action.
 - The taxpayer will incur significant costs if relief isn't granted (including fees for professional representation).
 - The taxpayer will suffer irreparable injury to, or long-term adverse impact if relief isn't granted.
 - The taxpayer has experienced a delay of more than 30 calendar days to resolve a tax account problem.
 - The taxpayer has not received a response or resolution to their problem or inquiry by the date promised.
 - A system(s) or procedure(s) has either failed to operate as intended or failed to resolve the taxpayer's problem or dispute within the IRS.
- (4) Don't send original returns or amended returns to TAS.
 - (5) Follow the table below when a case is open to TAS. A case open to TAS can be identified by a control category of "ATAO" or the assigned to employee IDRS number begins with "63".

If processing a case that ...	Then ...
Doesn't meet SP criteria.	Route the case per IRM 3.11.6.7, Sorting, Routing, and Priority Screening.
Meets SP criteria.	Process the case following normal procedures.

Reminder: If inputting an adjustment, place the "ATAO" case in "B" status and then return it to its original status once you have completed the adjustment.

- (6) When processing a case and the taxpayer requests to be referred to TAS or the taxpayer meets the above criteria:

If a Taxpayer...	And ...	Then ...
Sends a Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)	No other documentation is attached	<p>Take the following steps:</p> <ol style="list-style-type: none"> Print the Form 911 to PDF. E-mail the Form 911 PDF as an attachment to TAS based on your site. <p>• Memphis- Follow instructions for AISC.</p>
Sends a Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)	An original return or Form 1040-X is attached	<p>Take the following steps:</p> <ol style="list-style-type: none"> Print the Form 911 to PDF. E-mail the Form 911 PDF as an attachment to TAS based on your site: <p>• Memphis- Follow instructions for AISC.</p> <ol style="list-style-type: none"> Continue processing the case as normal.
Sends correspondence meeting TAS criteria or requests TAS assistance	No other documentation is attached	<p>Take the following steps:</p> <ol style="list-style-type: none"> Print the correspondence to PDF. E-mail the correspondence PDF as an attachment to TAS based on your site. <p>• Memphis- Follow instructions for AISC.</p>
Sends correspondence meeting TAS criteria or requests TAS assistance	An original return or Form 1040-X is attached	<p>Perform the following steps:</p> <ol style="list-style-type: none"> Print the correspondence to PDF. E-mail the correspondence PDF as an attachment to TAS based on your site. <p>• Memphis- Follow instructions for AISC.</p> <ol style="list-style-type: none"> Continue processing the return as normal.

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If a Taxpayer...	And ...	Then ...
Provides an explanation on the amended return that indicates TAS assistance is being requested OR The request meets TAS criteria	Form 911 or correspondence isn't attached	<ol style="list-style-type: none"> 1. Perform the following steps: <ol style="list-style-type: none"> a. Complete sections I, II, and III of Form 911. The Form 911 must state the taxpayer's problem and the relief requested. b. Print Form 911 to PDF. c. E-mail the Form 911 PDF as an attachment to TAS based on your site. <ul style="list-style-type: none"> • Memphis- Follow instructions for AUSC. <p>Note: If a Form 2848, Power of Attorney and Declaration of Representative, is attached to the Form 1040-X, notate in Section II of Form 911 "2848 to CAF."</p> 2. Continue processing the return as normal.

#3.11.6.16.20
(01-09-2023)**Claims Returned from Other Areas**

- (1) Claims sent to another area may be returned for processing.
- (2) Determine if the case requires:
 - Routing to the next highest priority. Circle out previous working trails.
 - Additional research.
 - Input the adjustment (the return has been cleared from the area it was routed).
- (3) If an adjustment is input, add "Adjusted per (name of area)" in the remarks.
- (4) Cases returned from another area for processing may not meet SP criteria. If so, send the case to AM.

3.11.6.16.21
(01-02-2024)**Loose Correspondence and Documents**

- (1) When associating correspondence or loose documents, those that became detached in error, follow the table.

If ...	Then ...
The CII image for the case is a loose form(s). Example: The CII image on the case doesn't contain an amended return and is a Form W-2.	<ol style="list-style-type: none"> 1. Send Letter 178C with the fill-in: Please include (form/schedule) when submitting your original return or your amended return. 2. Close the case.
If the image is other than a loose form or schedule (e.g., a driver's license) and an amended return isn't found.	<ol style="list-style-type: none"> 1. Input a case note describing what the image is and indicate no amended return located. Example: Copy of driver's license. No amended return located. 2. Close the case.

3.11.6.16.22 (1) When the IRM instructions say to treat as classified waste, follow the table:
(10-02-2023)

Classified Waste

If ...	And ...	Then ...
Working an amended return	There isn't a -R freeze present	Take the following action: <ol style="list-style-type: none"> 1. Input "CW" as a case note. 2. Input a TC 290 for .00.
Working an amended return	There is a -R freeze present and the module is in a credit balance	Take the following action: <ol style="list-style-type: none"> 1. Input "CW" as a case note. 2. Input a TC 290 for .00 and include HC 1.
If working a CP notice	There isn't a -R freeze present	Take the following action: <ol style="list-style-type: none"> 1. Input "CW" as a case note. 2. Input a TC 290 for .00.
If working a CP notice	There is a -R freeze present and the module is in a credit balance	Take the following action: <ol style="list-style-type: none"> 1. Input "CW" as a case note. 2. Input a TC 290 for .00 and include HC 1.

3.11.6.16.23 (1) If a TC 971 AC 123 with a MISC field entry of "1040X INVALID IDOC" is present, Disallow the claim. Follow IRM 3.11.6.16.7, Inputting a Disallowance Adjustment.
(07-22-2024)

Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INVALID IDOC

3.11.6.16.24 (1) When a TC 971 AC 123 with a MISC field entry of "1040X INC MISMATCH" is present, the withholding amount must be verified using CC IRPTR. Follow IRM 3.11.6.2.6.1.1, CC IRPTR, when verifying the withholding amount.
(07-22-2024)

Transaction Code (TC) 971 with Action Code (AC) 123 - 1040X INC MISMATCH

- If withholding matches IRP data, follow normal Form 1040-X procedures.

- If withholding information does not match IRP data, "no consider" the claim following IRM 3.11.6.10.8, Correspondence for No Consideration of a Claim (Letter 916C and Letter 916SP).

3.11.6.17
(01-02-2024)
Unpostable Conditions

- (1) An unpostable condition is created when a transaction can't post (update) to master file due to an unprocessable condition. The most common causes of an unpostable condition are:
 - a. Reducing an amount below zero
 - b. Removing an amount that didn't previously exist
 - c. Adjusting an account without a posted TC 150
 - d. Not using a priority code when required
- (2) A transaction which can't post to master file creates an open unpostable case on IDRS. The open control base is in "A" status with category NLUN which represents the unpostable condition and then assigned to the tax examiner who input the unpostable condition.
- (3) See *Document 6209*, IRS Processing Codes and Information, or IRM 3.12.179, Individual Master File (IMF) Unpostable Resolution, for a more detailed explanation.

3.11.6.17.1
(01-09-2023)
CII Case Unpostable Condition Resolution

- (1) When an unpostable condition occurs, a Charge-Out sheet (Form 4251) is generated and contains an Unpostable Code (UPC) to identify the condition that caused the transaction to unpost.

Note: If the Charge-Out sheet shows the ASED indicating an imminent statute date (within 90 days) route the case to the Statute Unit for quick assessment.
- (2) Retrieve the closed CII case from archive.
- (3) Determine the reason for the unpostable based on the "UPC" and/or "TC-S" code on the Charge-Out sheet, IDRS, and/or the return itself. Perform master file verification to determine if there are any other reasons the return may not be processable. The IAT CSI tool can be used to help in determining the unpostable reason. Input the unpostable code and unpostable reason code in the search field.

Example: UPC 158 RC 1 would be entered as 1581.

Reminder: If you have an unpostable on an account with a -L freeze verify that it wasn't the result of CC DDBCK Selected case. If it was the result of a CC DDBCK Selected case it must be sent as a CC DDBCK Selected case. See IRM 3.11.6.13.4, Command Code DDBCK (Dependent Database Check).

- (4) Review CC ENMOD for unpostable conditions as this may have caused the adjustment on CC TXMOD to unpost.

Note: If an unpostable condition exists in CC ENMOD close the open case when correcting the account.

- (5) If there's a previous TC 160 or 161 (late filing penalty) on the account, send the case to AM.

- (6) Use the following tables to take the appropriate corrective action. Be sure to adjust the correct amount and tax period.

If ...	IDRS Transaction ...	Then ...
The return meets AM criteria	ACTON C02,TOAMTOADJ,C	<ol style="list-style-type: none"> 1. Input case note "AM to ADJ." 2. Reassign the case to the appropriate queue.
The return meets route out criteria other than AM	ACTON C02,TO(destination),C	<ol style="list-style-type: none"> 1. Input case note "Case sent to (destination)." 2. Reassign or reroute as appropriate.
The error can be corrected	ACTON C02,UNPCORR,C	<ol style="list-style-type: none"> 1. Input the Nullified Unpostable (NU) DLN as a case note. The NU DLN is the DLN of the unpostable TC 29X. The NU DLN should match the DLN on Form 4251. Example: Unpostable correction - NU 12345. 2. Input the correct adjustment.
The return was posted to the wrong SSN	<ul style="list-style-type: none"> • Pull up TXMOD using the wrong SSN. • ACTON C02,WRONGSSN,C 	<ol style="list-style-type: none"> 1. Input the Nullified Unpostable (NU) DLN as a case note. The NU DLN is the DLN of the unpostable TC 29X. The NU DLN should match the DLN on Form 4251. Example: Unpostable correction - NU 12345. 2. Input the correct adjustment using the correct SSN.
Someone else has changed your control base		<ol style="list-style-type: none"> 1. Input a case: "Action was taken on my open control base by (employee IDRS number)- please take any required corrective action." 2. Close your unpostable case (if not already closed). 3. Send the case and charge-outs to the person who took action on your unpostable case. <p>Exception: If the corrective adjustment has already been completed, close the CII case to MISC.</p>
Unable to determine the appropriate corrective action		See your lead.

3.11.6.18
(01-01-2021)

**Lead Tax Examiners
Only**

- (1) The following subsections are for Lead Tax Examiners when:

- The IRM doesn't address all issues and additional research is needed.
- Reversing an erroneous adjustment.

- The time frames for CC TERUP and CC RVIEW have expired and CC NOREF must be used.

3.11.6.18.1
(02-17-2023)
**For Lead Tax Examiners
- Reversing an
Erroneous Adjustment**

- (1) In the course of an internal quality review, occasions arise where erroneous adjustments are identified. If the tax adjustment can't be deleted, a reversal of the adjustment must be made by the production lead of the tax examiner that created the erroneous refund or other designated production lead.
- (2) Don't input a corrective adjustment for changes to reason codes, received date, or amended claims date.
- (3) If the erroneous adjustment generates an incorrect TC 846, the production lead of the tax examiner that created the erroneous refund or other designated production lead must initiate a Refund Intercept when possible using IDRS Command Code (CC) NOREF to stop the refund. See IRM 3.11.6.18.2, For Lead Tax Examiners - Refund Intercept CC NOREF, for time frames and time constraints.

Exception: It isn't necessary to input CC NOREF if a TC 846 isn't generated or the TC 846 is for the correct amount, in these cases only input the corrective adjustment.

Note: Correspond using a 324C letter if there's a missing signature, form/schedule/ or other issue. Suspend the return waiting for the reply. Input CC NOREF at the same time as issuing the correspondence, if necessary.

- (4) Verify the erroneous adjustment didn't create an unpostable condition before reversing an adjustment. If an unpostable condition was created:
 - a. Monitor the account until the adjustment unposts
 - b. Hold the return until the Form 4251, Return Charge-Out, is received and match the return with the Form 4251
 - c. Take the necessary corrective action on the account
- (5) When an account requires a reversal adjustment:
 - a. The following must be reviewed:
 - Adjusted Gross Income (AGI)
 - Dependents
 - Taxable income
 - Non-refundable credits
 - Other Taxes and Self-Employment Tax
 - Total Tax
 - Withholdings
 - Earned Income Credit
 - Refundable Credits
 - Direct deposit IRN amount
 - b. Reverse all items adjusted. When inputting the reversal:
 - Include any necessary priority codes on the corrective adjustment. See IRM 3.11.6.15.9, Priority Codes (PC).
 - Use Hold Code 4

Note: In certain cases, the Hold Code 4 won't stop the refund and/or the notice, but it must be input on all reversals regardless.

- (6) xMend has the capability of reversing an erroneous adjustment. The reversal button on the xMend tool isn't available until the tax adjustment is input and posted to the tax account. Once the adjustment posts the reversal button becomes active.

3.11.6.18.2
(01-09-2023)

**For Lead Tax Examiners
- Refund Intercept CC
NOREF**

- (1) Use the IAT Stop Refund tool to prevent an erroneous refund from generating if the time frames for CC TERUP and CC RVIEW have expired. The IAT Stop Refund tool uses CC NOREF to stop a refund.

Caution: If a TC 846, in the amount of the erroneous refund, has posted to the module after the erroneous TC 29X adjustment, the refund record has already been sent to Financial Management Services (FMS), and the refund can't be stopped.

- (2) CC TERUP and CC RVIEW must be used if available:

- a. CC TERUP can be used to TERUP the adjustment on the day of input, but it must:
- Be input by the TE that input the adjustment
 - Be input before 5:00 PM CST on the day the adjustment was input

Note: If the erroneous adjustment was input after 5:00 PM CST, CC TERUP may be used until 5:00 PM CST the next day.

- b. CC Review can only be used after the time frame for CC TERUP has expired
- CC Review is only available for 2 days after the input of an adjustment

- (3) CC NOREFP will resequence for 14 days for daily IMF accounts and, depending on the day of input, up to 20 days for weekly IMF accounts. Each day, CC NOREFP looks for a matching refund and, when a match is found, it'll stop the refund.

Note: If no match is found within these time frames, the CC NOREFP is dropped from IMF processing.

- (4) Use the following table to determine if the IAT Stop Refund tool can be used to prevent an erroneous refund from generating. If the erroneous adjustment was input before 5:00 PM CST on:

Day of Week:	Use IAT Stop Refund tool before 9:00 PM CST on the following ...	Transaction Posts to MF on the following ...
Friday (Day 1)	Thursday, week 1 (4 days after input)	Friday, week 1 (5 days after input)
Monday (Day 2)	Thursday, week 1 (3 days after input)	Friday, week 1 (4 days after input)
Tuesday (Day 3)	Thursday, week 2 (7 days after input)	Friday, week 2 (8 days after input)
Wednesday (Day 4)	Thursday, week 2 (6 days after input)	Friday, week 2 (7 days after input)
Thursday (Day 5)	Thursday, week 2 (5 days after input)	Friday, week 2 (6 days after input)

Example: If an adjustment is input on Friday, the IAT Stop Refund tool may be used after 5:00 PM CST on Tuesday and until 9:00 PM CST on Thursday.

Caution: After 9:00 PM CST on Thursday the refund can no longer be stopped.

- (5) To input the stop refund request, see the *IAT Stop Refund tool*:
1. Select the "Stop Refund" radio button
 2. Cycle: Select the same posting cycle as the pending erroneous adjustment (PN TC 29X)
 3. Status: "M"
 4. Category: "RFDL"
 5. Originating Service Center Code: "AUSC" or "KCSC" or "OSC"
 6. Reason Code: "81- Refund Stop request"
- (6) The controlling employee must monitor for the posting of a TC 841. TC 841 verifies the refund was stopped. If the TC 841:
- a. Posts to the module then close the "RFDL" control base and work the case per IRM instructions. Don't route based on -P freeze instructions.
 - b. Doesn't post within 6 cycles send the case to AM.

