MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

EFFECTIVE DATE

(01-01-2025)

PURPOSE

(1)   This transmits revised IRM 3.11.154, Document and Analysis - Unemployment Tax Returns

MATERIAL CHANGES

(1)   IRM 3.11.154.1 (1) 5th bullet. Added note for 940 (sp) processing years.

(2)   IRM 3.11.154.1 (4) - Changed Paper Processing Branch to Return Processing Branch. IPU 24U0121 issued 01-24-2024.

(3)   IRM 3.11.154.2.2 - Add Returns with foreign address or possession to bullet list. IPU 24U0673 issued 05-22-2024

(4)   IRM 3.11.154.2.3 (7) - If/Then chart updated with instructions to Photocopy.

(5)   IRM 3.11.154.2.4 (2) - Changed Paper Processing Branch to Return Processing Branch. IPU 24U0121 issued 01-24-2024.

(6)   IRM 3.11.154.2.5 (1) - IRM Deviation Procedures Change the IRM reference for IRM 1.11.2, Internal Management Documents System, Internal Revenue Manual (IRM) Process, from 1.11.2.2.4 to 1.11.2.2.3. IPU 24U0516 issued 04-12-2024

(7)   IRM 3.11.154.2.7 (1) - Removed instructions from If/Then chart.

(8)   IRM 3.11.154.2.9 (1) - Updated instructions.

(9)   IRM 3.11.154.2.10.13 (1) - 3rd IF/Then Update instructions from circle out Box c. to asterisk as close as possible to the left of the Box. Removed AND from chart.

(10)   IRM 3.11.154.2.15.2 (2) and (3) - Added Action Code 215 for International Correspondence.

(11)   IRM 3.11.154.2.19 (1) - Update Signature instructions

(12)   IRM 3.11.154.2.21 (3) - Update Early File instructions. IPU 24U0434 issued 03-20-2024.

(13)   IRM 3.11.154.2.23 (1) - Corrected Wage and Investment (W&I) to Taxpayer Services (TS). IPU 24U0673 issued 05-22-2024.

(14)   IRM 3.11.154.2.23.1 (1) - Corrected Wage and Investment (W&I) to Taxpayer Services (TS). IPU 24U0673 issued 05-22-2024.

(15)   IRM 3.11.154.2.23.1 (1) - Changed Appeals to Independent Office of Appeals.

(16)   IRM 3.11.154.3.1 (1) - 2nd If/Then Updated Refund Return Instructions.

(17)   IRM 3.11.154.3.3 (2) - Update Received Date instructions. IPU 24U0328 issued 03-04-2024.

(18)   IRM 3.11.154.3.4 - Added bullet list to determine non-taxable lines.

(19)   IRM 3.11.154.3.6 (3) - Update Statute clearing exception from 2019 to 2020 tax year on prior original delinquent returns. IPU 24U0177 issued 02-01-2024.

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(20)   IRM 3.11.154.3.6 (9) - Remove reference table for statute barred dates.

(21)   IRM 3.11.154.5.4 (2) - Clarified TC 014 procedures and added a **Note** about the input of TC 014 to capture both the location and mailing address. IPU 24U0049 issued 01-04-2024.

(22)   IRM 3.11.154.5.5 (4) - Clarified TC 014 procedures and added a **Note** about the input of TC 014 to capture both the location and mailing address. IPU 24U0049 issued 01-04-2024.

(23)   IRM 3.11.154.6.1 (1) - Added 940 (sp) to bullet list.

(24)   IRM 3.11.154.6.2.1 (4)a - Removed instructions to Dummy Schedule A.

(25)   IRM 3.11.154.6.3.6 - Update Tax Year to clarify instructions. IPU 24U0094 issued 01-18-2024.

(26)   IRM 3.11.154.6.4.3 (1) - Update line numbers to clarify instructions. IPU 24U0094 issued 01-18-2024.

(27)   IRM 3.11.154.6.4.3 (2) - Update line numbers to clarify instructions. IPU 24U0094 issued 01-18-2024.

(28)   IRM 3.11.154.6.5.3 (1) - Updated line numbers to clarify instructions. IPU 24U0121 issued 01-24-2024.

(29)   IRM 3.11.154.6.5.4 (1) - Updated line numbers to clarify instructions. IPU 24U0049 issued 01-04-2024.

(30)   IRM 3.11.154.6.9 (1) - Update line numbers to clarify instructions. IPU 24U0094 issued 01-18-2024.

(31)   Exhibit 3.11.154-13 - Update Credit Reduction States and Rates to include current tax year. IPU 24U0060 issued 01-08-2024 .

(32)   Exhibit 3.11.154-16 - Added Taxpayer Services (TS) and a Note about Wage and Investment (W&I) changing to Taxpayer Services (TS). Removed Wage and Investment (W&I) information. IPU 24U0673 issued 05-22-2024.

(33)   Editorial and plain language changes made throughout the IRM include:

- Corrected spelling and grammatical errors.
- Corrected references, citations and links.
- Updated figures and exhibits to current year forms.
- Updated Tax Period and Received Date examples to current year.
- Updated Excise Naming conventions and added mailing addresses.
- Updated form titles.
- Updated alternative text in the figures and exhibits to adhere to Section 508 Rehabilitation Act.

EFFECT ON OTHER DOCUMENTS

IRM 3.11.154, Document and Analysis - Unemployment Tax Return, dated November 10, 2023 (effective January 1, 2024) is superseded. The following IRM Procedural Updates (IPUs) have been incorporated into this IRM: IPU 24U0049 issued 01-04-2024, IPU 24U0060 issued 01-08-2024, IPU 24U0094 issued 01-18-2024, IPU 24U0121 issued 01-24-2024, IPU 24U0177 issued 02-01-2024 IPU 24U0328 issued 03-04-2024, IPU 24U0434 issued 03-20-2024, IPU 24U0516 issued 04-12-2024, and IPU 24U0673 issued 05-22-2024.

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AUDIENCE

Taxpayer Services, Submission Processing, Code and Edit

James L. Fish
Director, Submission Processing
Taxpayer Services Division

3.11.154
Unemployment Tax Returns

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3.11.154.1
(01-24-2024)
Program Scope and Objectives

(1) **Purpose** of this Internal Revenue Manual (IRM) section is to provide instructions for Document Perfection to edit, code and perfect documents for the following processed at the Kansas City Submission Processing Center (KCSPC) and Ogden Submission Processing Center (OSPC):

- Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return **(Processed at KCSPC and OSPC).**
- Form 940 Schedule A, Multi-State Employer and Credit Reduction Information (Revisions 2006 and subsequent) **(Processed at KCSPC and OSPC).**
- Form 940 Schedule R, Allocation Schedule for Aggregate Form 940 Filers (Revision 2017) **(Processed at KCSPC and OSPC)**
- Form 940 (PR), Planilla Para La Declaracion Federal Anual Del Patrono De La Contribucion Federal Para El Desempieo (FUTA) (Puerto Rico - Spanish version) Revisions 2022 and prior **(Processed at OSPC only).**
- Form 940 Schedule A (PR), Anexo A (Formulario 940-PR) (Puerto Rican Version) Revisions 2022 and prior **(Processed at OSPC only).**
- Form 940 (sp). Declaracion del Impuesto Federal Anual del Empleador del Impuesto Federal para el Desempleo (FUTA). **(Processed at KCSPC and OSPC)**.

Note: Form 940 (sp) is for processing years 2023 and later.

- Form 940(cg), Employer's Annual Federal Unemployment Tax Return- Computer Generated.

  Note: This return reports the same Federal Unemployment (FUTA) Tax as Form 940. The return is computer generated rather than hand written or typed, and is filed by Examination or Collection personnel based on secured taxpayer information (i.e., as a Secured return) rather than mailed by the taxpayer. Also, in Compliance, some revenue officers use Form 940(cg) returns under Internal Revenue Code (IRC) 6020(b) and write IRC 6020(b) on the return. SP examiners should process Form 940(cg) returns using the same applicable procedures in IRM 3.11.154, Document and Analysis - Unemployment Tax Return for Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return series.

Reminder: The exhibits in this IRM are made based on proof copies of the Form 940, Form 940 (PR) , Form 940 (sp), and Form 940 Schedule A. The Form may be changed in their final version after this IRM is distributed. Any calculations must be consistent with the final revision of the returns.

(2) **Audience** for this IRM are as follows:

- C&E Supervisory Tax Technicians, Lead Tax Examining Technicians, Tax Examining Technicians, Clerks, Lead Clerks and Supervisory Clerks.
- ERS Supervisory Tax Examining Assistants, Lead Tax Examining Technicians, Tax Examining Technicians.
- Rejects Supervisory Tax Examining Technicians, Lead Tax Examining Technicians, Tax Examining Technicians.

(3) **Policy Owner** for this IRM is Director, Submission Processing.

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(4) **Program Owner** is Return Processing Branch, Business Master File (BMF) Section.

(5) **Primary Stakeholders** are:

- Accounts Management (AM)
- Small Business/Self-Employed (SBSE)
- Large Business and International (LB&I)
- Chief Financial Officer (CFO)
- Taxpayer Advocate Service (TAS)
- Chief Counsel, Information Technology programmers
- Statistics of Income (SOI)
- Tax Exempt/Government Entities (TE/GE)
- Compliance, Modernized E-file (MeF), SP

3.11.154.1.1
(04-06-2017)
Background

(1) The purpose of Document Perfection is to code and edit (perfect) returns and other documents for input to the Master File (MF) through the Integrated Submission and Remittance Processing System (ISRP) or the Service Center Recognition Image Processing System (SCRIPS). In addition, Document Perfection forwards any other documents or attachments not related to the processing of the returns to the function responsible for handling them. It is not the purpose of Code and Edit to mathematically verify or to check the validity of the returns and other documents being processed unless otherwise specified in the applicable section. The computer and/or Error Correction (Resolution) will perform these functions if the returns and other documents are coded and edited as prescribed in the applicable subsections of this section.

3.11.154.1.2
(01-01-2024)
Authority

(1) Title 26 of the United States Code (USC) or more commonly known as the Internal Revenue Code (IRC).

(2) The Federal Unemployment Tax Act (FUTA) established the Federal Unemployment Tax and required cooperation between the States, Internal Revenue Service, and the Department of Labor to determine an employer's contribution to the Unemployment System.

(3) Tax revenue collected from the FUTA is applied under the FUTA Trust Fund and passed on to the States by the Department of Labor (DOL) to help them administer their unemployment programs.

(4) Credit Reduction States are announced by the Department of Labor each November. See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).

(5) After the return is processed, the FUTA Certification Program verifies the credit claimed and the FUTA wage amount reported by the employer on their Form 940 return. Information is exchanged with the states to certify the amounts.

(6) All Policy Statements for SP are contained in IRM 1.2.12, Servicewide Policies and Authorities, Policy Statements for Submission Processing Activities:

- Code sections which provide the IRS with the authority to issue levies.
- Congressional Acts which outline more authorities and responsibilities like the Travel and Transportation Reform Act of 1998 or the Tax Reform Act of 1986.

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• Policy Statements that provide authority for the work being done.

3.11.154.1.3 (01-01-2023) **Responsibilities**	(1)	The Directors, KCSPC, and OSPC monitor operational performance for their SP campus.
	(2)	The Operations Managers for KCSPC, and OSPC monitor operational performance for their operation.
	(3)	The Department Managers for KCSPC, and OSPC monitor Team Units performance within their department.
	(4)	The team manager/lead monitors performance and ensures employees have the tools to perform their duties.
	(5)	The team employees follow the instructions contained in this IRM and maintaining updated IRM procedures.

3.11.154.1.4
(01-01-2022)
**Program Management
and Review**

(1) **Program Goal** for C&E is to ensure documents are perfected (code and edit) ready for transcription.

(2) **Program Reports** - The Batch Block Tracking System (BBTS) captures and stores a vast amount of data which can be used in performance monitoring and production projections.

(3) **Program Effectiveness** is measured by:

• Embedded Quality Submission Processing (EQSP)
• Balanced Measures
• Managerial reviews

3.11.154.1.5
(11-07-2017)
Program Controls

(1) Quality Review conducts a statistical valid sample size review of completed work to ensure IRM guidelines are followed.

3.11.154.1.6
(01-01-2024)
**Terms/Definitions/
Acronyms**

(1) Although it is best to not use words that require interpretation, you may have to use them. If you do, you should include definitions for words which require interpretations. Examples of these words:

Word	Definition	Example of using a word that is open to interpretation. (This column is for illustration purposes only)
Fair	Provide accurate and professional service to all persons without regard to personal bias.	Treat the customer in a fair manner when working with FOIA requests.
Usually	Provide the exceptions when something is not required or what would create the unusual circumstance.	Pay adjustments will be accomplished within a reasonable amount of time, usually within two (2) pay periods.

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Word	Definition	Example of using a word that is open to interpretation. (This column is for illustration purposes only)
Timely	Provide the time frame to consider what is or is not timely.	Process all IMF adjustments in a timely fashion.
Significant entry	Any entry other than zero or blank.	For example: If line 1 has a significant entry. Edit CCC "A".

(2) For a list of C&E acronyms / abbreviations and definitions see Exhibit 3.11.154-16, Acronyms / Abbreviations and Definitions.

3.11.154.1.7
(01-01-2023)
Related Resources

(1) The following resources may help in performing the work as outlined in this IRM:

- Servicewide Electronic Research Program (SERP)
- Submission Processing Design Center (SPDC)
- Integrated Data Retrieval System (IDRS)

3.11.154.2
(01-01-2023)
General Instructions for Unemployment Returns

(1) This section provides general processing instructions for the Coding and Editing of Federal Unemployment Tax Returns (FUTA) and the related documents.

(2) **Instructions in specific Sections of this IRM take precedence over the general Section instructions in case of a conflict.**

(3) This IRM cannot address every possibility that occurs while perfecting returns or documents. Always consider the taxpayer's intent while editing returns in the Code and Edit function by:

a. Reviewing the return and/or attachments,
b. Applying the correct Actions Codes and Computer Conditions Codes as outlined in this IRM,
c. Corresponding with the taxpayer if needed to perfect the return for processing.
d. Referring issues not addressed in this IRM to the subject matter expert (SME), lead or manager to determine the corrective action.

3.11.154.2.1
(01-01-2023)
Coding and Editing Returns

(1) The purpose of Document Perfection is to code and edit returns and other documents for input to the Master File.

(2) The Service Center Recognition Image Processing System (SCRIPS) and the Integrated Submission and Remittance Processing System (ISRP) process Form 940 Series Returns. See IRM 3.11.154.2.2, Processing Guidelines for Form 940 Series Returns.

(3) Some lines on the return are correctly entered as "zero", "dash", "N/A", or "none" and do not need to be edited.

(4) Edit all money amounts in **dollars** and **cents**, if the distinction between dollars and cents is not clear.

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(5) Edit any misplaced or illegible transcription entry to the proper transcription line. The entry may have to be computed from other figures on the return or attachment.

(6) If the taxpayer submits tax information for any year after 2005 on a Form 940 or Form 940 (PR) with a prior revision year, edit the return, as necessary. See IRM 3.11.154.2.2, Processing Guidelines for Form 940 Series Returns.

(7) All Form 940-EZ returns must be converted to the current year Form 940.

3.11.154.2.2
(05-22-2024)
Processing Guidelines for Form 940 Series Returns

(1) Form 940 returns are processed through the Service Center Recognition Image Processing System (SCRIPS) or the Integrated Submission and Remittance Processing System (ISRP).

(2) Form 940 returns that are processed through SCRIPS can only be Tax Year 2006 and subsequent.

(3) The Integrated Submission and Remittance Processing System (ISRP) transcribes information from forms that cannot be input through SCRIPS. ISRP should process the following forms:

- Tax year 2005 and prior (filed on any Form 940 revision including the current year revision). See IRM 3.11.154.7.1 for correct line numbers
- Re-entry or re-processable forms (Form 3893, Form 13596 or Form 13133 from the front of Form 940).
- Ripped or torn returns and forms.
- Non-standard returns or forms.
- All Form 940 (PR) Returns, Revision 2022 and Prior. These are processed only at the OSPC.
- All Form 940 (sp) Returns
- All Form 940 with foreign address or U.S. possession.
- Any Form 940-EZ (Obsolete) converted to a Form 940 return. See Exhibit 3.11.154-5 .
- Any Form 940(cg). This form can be identified by the presence of Form 940(cg) in the upper left-hand corner.
- Returns with no room to place DLN at the top of the return.

3.11.154.2.3
(01-01-2025)
Return Perfection - Processing of Form 940, Form 940 (PR),and 940 (sp)

(1) Form 940 returns filed on Revision 2006 and subsequent forms are designed to be processed through SCRIPS scanning system. See Exhibit 3.11.154-1, Form 940 (Revision 2024), and Form 940 Schedule A (Revision 2024) for transcription lines.

- **Do not change the line numbers on SCRIPS documents that are filed on a 2006 and later** revisions. See Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024) for transcription lines.

(2) All Tax Year 2005 and prior Form 940 returns are processed through ISRP regardless of the year revision:

- The return line format should correspond to the current year line format and must be renumbered. See Exhibit 3.11.154-4, Form 940 Conversion Table - Tax Year 2024 - 2012 and 2010 - 2006.

(3) All Form 940-EZ returns must be converted to current tax year Form 940 format:

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     a.   If Credit Reduction applies, transfer the information to a current Form 940 Schedule A and/or Form 940 Schedule R.

     b.   See Exhibit 3.11.154-5, Form 940-EZ Conversion Table.

(4)   All Form 940 (PR) revision 2022 and prior are processed through ISRP in OSPC only:

     a.   Revisions 2006 to 2022 have the same transcription lines as Form 940 and do not require line number conversions. See Exhibit 3.11.154-2, Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR)(Revision 2022), for transcription lines.

     b.   Revisions 2005 and prior must be converted to current year line number. See Exhibit 3.11.154-6, Form 940 (PR) Conversion Table (2005 and Prior).

(5)   All Form 940 (sp) are processed through ISRP.

(6)   Returns processed through SCRIPS are batched and prepared separately as **Perfects** or **Imperfects**.

     a.   **Perfects** are returns with no attachments, such as envelopes, letters, copies of notices, internal forms for processing or routing, etc. **Perfect** returns cannot have extraneous writing on the face of the return.

     b.   **Imperfects** are returns not covered in a) above.

     c.   A two-sided return is a Duplex return.

     d.   A return submitted on two separate sheets of paper is a Non-Duplex Return.

(7)   Form 940 returns (Revisions 2006 and subsequent), which are batched as **Perfects**, must be prepared as follows:

     a.   If the return is damaged or the print is too light (difficult to read), pull the return from the batch and request that the return be re-batched as Original Entry (OE) paper. For Form 940 , Form 940 (PR)and Form 940 (sp) revisions being processed through OE paper, change the line numbers only if required by ISRP procedures.

     b.   Carefully remove all staples. It is permissible to cut off the left corner of the return providing that no identifying information is damaged or lost (e.g., the return year, entity information).

     c.   Repair any large staple holes and all rips or tears on the top or right-hand side of the return.

     d.   If the EIN is missing on Page 2 of Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp), see IRM 3.11.154.5.2(4), Entity Perfection - Employer Identification Number (EIN).

     e.   If the EIN on Page 2 of Form 940 or Form 940 Schedule A, or Form 940 Schedule R does not match the EIN in the entity area of the return, see IRM 3.11.154.5.2(5), Entity Perfection - Employer Identification Number (EIN).

     f.   **Perfects** and **Imperfects**:

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IF	THEN
The taxpayer completes Form 940 (Revisions 2006 and later) using orange or pink ink, ***Note:*** If the signature is in orange or pink ink, see (8) below.	1. Batch and process the return as an **Imperfect**. 2. Photocopy the return to allow processing through SCRIPS. 3. Consider the original Form 940 as an attachment and request the document be merged into an **Imperfect** batch.

Page 1 Form 940 is missing (one sided return), (Revision 2006 and later)	1. Follow local procedures to reduce the chance of duplicate letters being sent to the taxpayer.
	Note: If a signature is present on the line designated for the taxpayer signature, see IRM 3.11.154.2.19 (3), Signature.
	2. See IRM 3.11.154.2.15.2(2), Issuing Correspondence.
	   Note: The Lead Tax Examining Technician will use tools such as Integrated Automation Technologies (IAT) and Integrated Data Retrieval System (IDRS) Command Codes Business Master File Online (BMFOL) and Error Resolution System (ERS) Inventory Verification (ERINV) and request Page 2 to be associated with Page 1, when possible.
	3. If it is not possible to associate Page 2 with Page 1, then:
	   a. Insert a blank copy of Page 1.
	   b. Edit from Page 2 to Page 1.
	     • Taxpayer's Name (If name only, research for EIN)
	     • EIN (If EIN only, research for Name).
	
	4. If Name and EIN field are blank on Page 2, use the information from the envelope, if available, to research:
	     • If there is a legible signature, route to Entity Control for research.
	     • If there is no legible signature, give the return to your lead for disposition as classified waste.
	
	5. If necessary, edit the tax period.
	6. If necessary, edit the address in the following priority:
	   1. From the envelope, if there is a name match.
	   2. Otherwise, leave blank and allow to fall out to ERS.
	     Note: If research is being preformed for Name and/or EIN, research also for address.
	
	7. Edit a Received Date, if necessary.
	8. Edit Action Code 211 (215 for International) and correspond for a damaged form. Refer to Form 12522, 940 Correspondence Action Sheet, Letter 142C (or Letter 142C/SP) for Form 940 (sp).

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IF	THEN
A Page 2 (on one sided) Form 940 (Revision 2006 and subsequent) is missing, or the Page 2 attached is from Form 941,	1. Follow local procedures to ensure that the taxpayer does not receive duplicate correspondence. See IRM 3.11.154.2.15.2(2), Issuing Correspondence. ***Note:*** The Lead Tax Examining Technician will use tools such as Integrated Automation Technologies (IAT) and Integrated Data Retrieval System (IDRS) Command Codes Business master File On Line (BMFOL) and Error Resolution System (ERS) Inventory Verification (ERINV) and request Page 2 to be associated with Page 1, when possible. 2. If it is not possible to associate: • Insert a blank copy of Page 2 behind the taxpayer's Page 1. • Line through the original duplex Page 1 and Page 2. • Edit AC 211 (215 for International) to correspond using Letter 142C for Form 940 (or Letter 142(C/SP) for Form 940 (PR) revision 2022 and prior and Form 940 (sp) for a missing Page. • Edit SIC (Schedule Indictor Code) **1** if Line 12 is #
The taxpayer encloses a duplicate Page 2 in error (single sided or duplex return),	1. Line through (/) the second duplicated Page 2. 2. Request the document be merged into an **Imperfect** batch.
Taxpayer used a duplex (two-sided) Page 1 and a separate (single-sided) Page 2	1. Photocopy the original Page 1 2. Line through (/) the original Page 1 duplex and move to the back as an attachment 3. Request the return be merged into an **Imperfect** batch.
Taxpayer used a duplex (two-sided) Page 2 and a separate (single-sided) Page 1	1. Photocopy the original Page 2 2. Line through (/) the original Page 2 duplex and move to the back as attachment. 3. Request the document be merged into an **Imperfect** batch.
Taxpayer files Form 940 with more than one Form 940 Schedule A Page,	1. Batch and process the returns as **Perfect**. 2. Perform normal editing for the Form 940 and Form 940 Schedule A. 3. Place all subsequent pages of Form 940 Schedule A behind the first Form 940 Schedule A attached. Do not edit or change Line 11. Allow the return to fall out to ERS. 4. Process as normal.

(8) When a SCRIPS Form 940 return is submitted with blue or black ink and any check Box or the signature is in orange, or pink, recheck the boxes in red or place an asterisk (*) in the left most position in the signature Box.

(9) When Code and Edit reviews the return, determine:

IF	THEN
The return (Revision 2006 and subsequent) with attachments is incorrectly assigned to a **Perfect** batch,	Pull the return from that batch and request that it be merged into an **Imperfect** batch, unless it can be made **Perfect**.
The return (Revision 2006 and subsequent) with no attachments is incorrectly assigned to an **Imperfect** batch,	Do not take any action.

(10)   Code and Edit tax examiners should ensure that the jurat and authorized signature are shown and are in their proper location on the Form 940 , Form 940 (PR), or Form 940 (sp)

(11)   After review and editing, when placing the return in a batch, Form 940, Form 940 (PR), Form 940 (sp), and Form 940 Schedule A or attachments should be in sequential order. This will help SCRIPS and ISRP during data transcription:

- Return Page 1
- Return Page 2
- Form 940 Schedule A, if it applies
- Schedule R (Form 940) or Continuation Sheet for Schedule R (Form 940)
- Any attachments

(12)   The document has a Schedule R (Form 940), Continuation Sheet for Schedule R (Form 940), or non-federal Schedule R (Form 940) attached:

IF	THEN
The EIN is not present on Form 940 Schedule R,	Edit the last 4 digits of the EIN,
Any of the following apply: • Schedule R (Form 940) is a non-federal Schedule R (Form 940) i.e., a spreadsheet, a list, similar format, altered Schedule R (Form 940) • Multiple statements/documents that are a non-federal Schedule R (Form 940) • Any of the data is not legible	1. Correspond for the federal Schedule R (Form 940) using 142C/142(C-SP Letter and the following fill-in paragraph: **The allocated aggregated information reported on Form 940 for agents of home care service recipients and Certified Professional Employer Organizations (CPEOs) was reported on a spreadsheet(s), database printout(s), similar formatted document(s), or an altered federal Schedule R (Form 940). To complete the process of your return report the allocated aggregated information on a non-altered federal Schedule R (Form 940), Allocation Schedule for Aggregate Form 940 Filers.** 2. See *https://www.irs.gov/forms-instructions* and return to us with an attached copy of this letter. 3. See IRM 3.11.13.6 (5), Unprocessable Conditions for further instruction.
The entire Form 940 Schedule R is blank (no entity and no money amounts present),	Do not edit the Form 940 Schedule R indicator (SRI) Code.

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IF	THEN
Form 940 Schedule R contains entries in the entity area or money amounts,	Edit the SRI Code in the right margin of the return next to Line 6, Subtotal. See Figure 3.11.154-1, Form 940 (Revision 2024) and Form 940 Schedule R (Revision 2017).

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Schedule R (Form 940): Allocation Schedule for Aggregate Form 940 Filers

OMB No. 1545-0029

(Rev. December 2024)

Department of the Treasury — Internal Revenue Service

Employer identification number (EIN): 0 0 – 0 0 0 1 1 2 3

Report for calendar year:

(Same as Form 940):

DRAFT

Form **940 for 2024:** Employer's Annual Federal Unemployment (FUTA) Tax Return

850113

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Employer identification number (EIN): 0 0 – 0 0 0 1 1 2 3

Type of Return

Part 2: Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.

3	Total payments to all employees	3	24,000.
4	Payments exempt from FUTA tax	4	.

Check all that apply: **4a** ☐ Fringe benefits   **4c** ☐ Retirement/Pension   **4e** ☐ Other
4b ☐ Group-term life insurance   **4d** ☐ Dependent care

5	Total of payments made to each employee in excess of $7,000	5	3,000
6	Subtotal (line 4 + line 5 = line 6)	6	3,000. **R**
7	Total taxable FUTA wages (line 3 – line 6 = line 7). See instructions	7	21,000.
8	FUTA tax befor	8	84.

Form 940 with attached Schedule R: Process through SCRIPS.

Schedule R (Form 940): Allocation Schedule for Aggregate Form 940 Filers

OMB No. 1545-0029

(Rev. December 2024)

Department of the Treasury — Internal Revenue Service

Employer identification number (EIN): 0 0 – 0 0 0 9 0 1 9

Report for calendar year:

(Same as Form 940):

DRAFT

Formulario **940 para 2024:** Declaración del Impuesto Federal Anual del Empleador del Impuesto Federal para el Desempleo (*FUTA*)

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Número de identificación del empleador (*EIN*): 0 0 – 0 0 0 9 0 1 9

Clase de Declaración
(Marque todas las que le apliquen).

Parte 2: Determine su impuesto *FUTA* sin considerar ajustes. Si NO le corresponde una línea, déjela en blanco.

3	Total de pagos hechos a todos sus empleados		24,000 .
4	Pagos exentos del impuesto *FUTA*	4	.

Marque todos los que le correspondan: **4a** ☐ Prestaciones suplementarias   **4c** ☐ Retiro/Pensión   **4e** ☐ Otro
4b ☐ Seguro de vida colectivo a término   **4d** ☐ Cuidado para dependientes

5	Total de pagos hechos a cada empleado en exceso de $7,000	5	3,000 .
6	Subt	6	3,000 . **R**
7	T	7	21,000

Form 940-SP and 940-PR with attached Schedule R: Process through ISRP.

Figure 3.11.154-1 Form 940 Schedule R indicator (SRI) Edited.

3.11.154.2.4
(01-24-2024)
♦**Business Master File (BMF) Consistency**♦

(1) The purpose of this initiative is to achieve consistency in the Business Master File (BMF) Code and Edit (C&E) processing IRMs.

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3.11.154.2.4

(2)   Ogden, Kansas City, and Return Processing Branch, BMF Code and Edit and Error Resolution System (ERS) identified and developed topics for BMF Consistency.

(3)   A ♦ (diamond) before and after the subsection title shows BMF Consistency subsections.

(4)   Text in normal print is the common process for BMF returns. The text in **Bold** print is form-specific and applies to this IRM only.

3.11.154.2.5
(04-12-2024)
♦**IRM Deviation Procedures**♦

(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.

3.11.154.2.6
(01-01-2024)
♦**Edit Marks**♦

(1)   Edit marks are edited on the return for transcription to the Automated Data Processing (ADP) System **through ISRP or SCRIPS.** Enter edit marks in brown, red, orange, purple, or green pencil or pen.

(2)   Only edit items on the return that are for transcription except where specific instructions require editing of a non-transcribed item. Leave lines blank if the entry would be a zero amount unless otherwise instructed.

(3)   Do not obliterate, alter, or erase the original entry on a return when deleting or correcting an entry. Always exercise care to ensure that the original entry remains legible. Perfected entries provide a legible edit trail for anyone who may work with the return later.

(4)   Do not re-edit marks entered by other areas, such as Collections, Entity Control or Accounts Management, except to place the marks in the correct area or perfect for legibility. Figure 3.11.154-2 .

Exception: Photocopied Returns

(5)   Photocopied Returns - Re-edit or underline any valid, black edit marks. See IRM 3.11.154.3.10, Correspondence Imaging Inventory (CII) Returns, and IRM 3.11.154.3.9, Form 3893 - Re-Entry Document Control .

(6)   The table below provides a description of **edit marks for SCRIPS and ISRP** processing:

Edit Mark	SCRIPS	ISRP	Description
Asterisk *	X	X	**Is used to prompt the SCRIPS or ISRP system operator to stop at a field so that the operator can make a change:** • To delete the data for non-transcription, edit an ***** closest to the left of the line entry or the data that is present. • To correct the data to be transcribed edit an ***** closest to the left of the line entry along with the correct entry or data or to be transcribed to the left of the *****. ***Exception:*** An asterisk (*) in the signature Box indicates that the signature is on an attachment or is not needed.
/	X	X	A **/** can be used when deleting a form or schedule that is not to be transcribed.
/ XX **/$** XX represents the two digit foreign country code		X	**ISRP ONLY:** Indicates a foreign address. The two-digit alpha foreign country code will be preceded by **/** and followed with **/$**. See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries. ***Note:*** This cannot be used for documents processed via SCRIPS.
%	X	X	Indicates an **in-care of name or address** for transcription.
Circle	X	X	Used to remove an entry in a Code and Edit field (i.e., Action Code, CCC, Received Date, Schedule Indicator Code (SIC), Form 940 Schedule R Indicator (SRI), or Tax Period).
Underline	X	X	Used to identify a Name Control that is to be transcribed.
Decimal point	X	X	Indicates the separation of dollars and cents.

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Edit Mark	SCRIPS	ISRP	Description
Line through	X	X	Entity Perfection Only - Used to delete data. Unless otherwise specified, a horizontal line through data will always show the data is being deleted from the return. ***Note:*** Always edit an asterisk (*) as closely as possible to the left of the lined through entry.
Zero, Dash, or None	X	X	Zero, dash or None are considered valid entries except when specific instructions require editing of an entry.

Note: The X and arrow will no longer be used in editing Form 940 Series returns.

Form 940 for 2022: Employer's Annual Federal Unemployment (FUTA) Tax Return

22   850113

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0028

Employer identification number (EIN)   0 0 – 1 0 1 0 1 0 9

Name (not your trade name)

Trade name (if any)   Michael Birch

Address   11881 S. Cypress Dr.
Number   Street   Suite or room number

Salt Lake City   UT   84100
City   State   ZIP code

Foreign country name   Foreign province/county   Foreign postal code

Type of Return
(Check all that apply.)

X a. Amended

b. Successor employer

c. No payments to employees in 2022

d. Final: Business closed or stopped paying wages

Go to www.irs.gov/Form940 for instructions and the latest information.

Read the separate instructions before you complete this form. Please type or print within the boxes.

Part 1:   Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.

1a   If you had to pay state unemployment tax in one state only, enter the state abbreviation .   1a   U   T

1b   If you had to pay state unemployment tax in more than one state, you are a multi-state employer .   1b   ☐ Check here. Complete Schedule A (Form 940).

2   If you paid wages in a state that is subject to CREDIT REDUCTION .   2   ☐ Check here. Complete Schedule A (Form 940).

Part 2:   Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.

3   Total payments to all employees .   3   14,000.

4   Payments exempt from FUTA tax .   4

Check all that apply: 4a ☐ Fringe benefits   4c ☐ Retirement/Pension   4e ☐ Other
4b ☐ Group-term life insurance   4d ☐ Dependent care

5   Total of payments made to each employee in excess of $7,000 .   5   7,000.

6   Subtotal (line 4 + line 5 = line 6) .   **012925**   6   7,000.

7   Total taxable FUTA wages (line 3 – line 6 = line 7). See instructions .   7   7,000.

8   FUTA tax before adjustments (line 7 x 0.006 = line 8) .   8   42.

Part 3:   Determine your adjustments. If any line does NOT apply, leave it blank.

9   If ALL of the taxable FUTA wages you paid were excluded from state unemployment tax, multiply line 7 by 0.054 (line 7 × 0.054 = line 9). Go to line 12 .   9

10   If SOME of the taxable FUTA wages you paid were excluded from state unemployment tax, OR you paid ANY state unemployment tax late (after the due date for filing Form 940), complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet .   10

11   If credit reduction applies, enter the total from Schedule A (Form 940) .   11

Part 4:   Determine your FUTA tax and balance due or overpayment. If any line does NOT apply, leave it blank.

12   Total FUTA tax after adjustments (lines 8 + 9 + 10 + 11 = line 12) .   12   42.

13   FUTA tax deposited for the year, including any overpayment applied from a prior year .   13

14   Balance due. If line 12 is more than line 13, enter the excess on line 14.
   • If line 14 is more than $500, you must deposit your tax.
   • If line 14 is $500 or less, you may pay with this return. See instructions .   14   42.

15   Overpayment. If line 13 is more than line 12, enter the excess on line 15 and check a box below   15

You MUST complete both pages of this form and SIGN it.   Check one: ☐ Apply to next return.   ☐ Send a refund.

For Privacy Act and Paperwork Reduction Act Notice, see the back of the Payment Voucher.

Cat. No. 11234O   Form **940** (2022)

IRS Received 01/29/2025

Figure 3.11.154-2 Form 940 Misplaced Edit Marks by Other IRS Functions

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3.11.154.2.6

3.11.154.2.7
(01-01-2025)
Audit Trails/Action Trails

(1) The following action will be edited on the Unemployment Returns in the Code and Edit program:

IF	THEN
Changes to Employer Identification Numbers (EIN) or Taxpayer Identification Numbers (TIN),	Edit change on the Entity area of the return.
An IDRS transaction is input,	A notation must be made on the document showing the TC (Transaction Code) and the date.
Instructed to prepare Form 3465, Adjustment Request,	1. Make a copy of the original return and attachments, notate "COPY" on the photocopy and route to Accounts Management. 2. Notate "3465 Prep" in the bottom left margin of the original Form/Return.

3.11.154.2.8
(01-01-2024)
♦Action Codes♦

(1) Action Codes are used to show whether correspondence, research, or some other action is needed. The Action Code sets the suspense period for the return and places the return in the workable or unworkable suspense inventory. See Exhibit 3.11.154-11, Action Code Chart for suspense periods.

(2) When necessary, assign a three-digit Action Code.

(3) Edit Action Codes for Form 940, Form 940 (PR) (Revisions 2022 and prior), and Form 940 (sp) just below the line that states For Privacy Act. Do not extend into the left margin. Edit the Action Code in the bottom left margin of the return (Revision 2005 and prior).

(4) Assign Action Codes in the following priority order:

    a.   Action Code 310 (Statute Control).
    b.   Action Code 320 (Entity Control).
    c.   Action Code 4XX.
    d.   Action Code 6XX.
    e.   Action Code 3XX.
    f.   Action Code 2XX. (Correspondence)

(5) Use the following table if more than one Action Code is needed:

IF	THEN
Action Codes include 211, 215, 225, or 226 and Action Code 341,	1. Edit the Action Code 211, 215, 225 or 226 on the return. 2. Edit Action Code 341 on the Form 4227, Intra-SC Reject or Routing Slip.
Action Codes have the same priority,	1. Edit the Action Code with the shorter suspense period on the return. 2. Edit the second Action Code on the Form 4227, Intra-SC Reject or Routing Slip. 3. See Exhibit 3.11.154-11(6), Action Code Chart for suspense periods.

IF	THEN
Action Codes have different priorities,	1. Edit the Action Code with the higher priority on the return. ***Exception:*** Use Action Code 211, 215, 225 or 226 before Action Code 341 to ensure the return is complete before a manual refund is issued. 2. Edit the second Action Code on the Form 4227, Intra-SC Reject or Routing Slip.

(6)   Edit the following Action Codes when a return cannot be perfected:

Action Code	Description
211 (First Correspondence) or "215" (International Correspondence)	1. Return is illegible, incomplete, or contradictory and therefore unprocessable. 2. The taxpayer notates on the return or attachment that they are reporting tax for more than one tax period or for more than one type of tax.
225 (Missing Signature Correspondence)	Unsigned return (only issue for correspondence).
OSPC Only: 226 International Taxpayer Correspondence (Signature Only)	Unsigned return (only issue for correspondence).
480 (Early Filed - Suspense)	The return is an early filed current return.
610 (Renumbered Non-remittance) or 611 (Renumbered with remittance)	Mis-batched return(e.g., Form 1065 in a Form 940 batch of work)
640 (Void)	To delete the assigned DLN (Document Locator Number) on the return (e.g., Re-entry returns).
650 (AC International)	An International return; processed in Ogden OSPC.

(7)   Continue perfecting the return after editing the Action Codes.

(8)   Valid Action Codes are listed below:

Action Code	Description	Workday Suspense Period
211	First Taxpayer Correspondence	40
212	Second Taxpayer Correspondence	25
215	International Correspondence	45
225	Taxpayer Correspondence (signature only)	40

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Action Code	Description	Workday Suspense Period
226	International Correspondence (signature only)	40
310	Statute Control	10
320	Entity Control	10
331	Frivolous Review	3
341	Manual Refund	10
342	Credit Verification	10
343	Black Liquor	10
352	Name Research	3
360	Other-in-House Research	10
420	Management Suspense A	5
440	Management Suspense C **(Large Business and International (LB&I) review of 1120-F in OSPC only)**	15
450	Management Suspense D	20
480	Early Filed Suspense	150
610	Renumber Non-remit	0
611	Renumber Remit	0
640	Void	0
650	International	0

(9)   For more information and applicable Action Codes see:

- Exhibit 3.11.154-11, Action Code Chart
- IRM 3.12.38.3.4, Error Resolution System (ERS) Action Codes
- Exhibit in IRM 3.12.38-1, Action Codes

3.11.154.2.9
(01-01-2020)
Centralized Authorization File (CAF) Codes

(1)   The Centralized Authorization File (CAF) contains the type of authorization that taxpayers give to representatives regarding the taxpayers' accounts. Representatives may submit Form 2848, Power of Attorney and Declaration of Representative (POA) or Form 2848 (SP), Power of Attorney and Declaration of Representative (Spanish Version) (POA), or Form 8821, Tax Information Authorization (TIA).

IF	THEN
Form 2848, Form 2848 (SP), or Form 8821, is attached	1. Form 2848, Form 2848 (SP), or Form 8821. 2. Edit taxpayer name and EIN on Form 2848, Form 2848 (SP), or Form 8821, if missing. 3. Edit Received Date on Form 2848, Form 2848 (SP), or Form 8821. 4. Route Form 2848, Form 2848 (SP), or Form 8821 to CAF function. 5. Edit action trail on tax return.
A General Power of Attorney or a Durable Power of Attorney or Tax Information Authorization is submitted on any document other than Form 2848, Form 2848 (SP), or Form 8821,	Take no action. Leave the Power of Attorney or Tax Information Authorization attached to the return. Do not route to the CAF function.

3.11.154.2.10
(01-01-2025)
Computer Condition Codes (CCC)

(1) Computer Condition Codes (CCC) are used to identify a special condition or computation to post to the Master File.

(2) For Secured and Prepared Returns, edit the correct CCC as shown on the return, attachment, or Form 13133.

(3) Edit Computer Condition Codes in the following locations:

FORM	LOCATION
Form 940(Revisions 2006 and subsequent)	Edit immediately to the right of the line that states: You MUST complete both pages of this form and SIGN it. If spacing on the form will not allow CCC to be edited, enter the CCC below Line 15, in the center. See Exhibit 3.11.154-1, Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024).
Form 940 (PR) (Revisions 2006 - 2022)	Edit to the right of the words TIENE que completar ambas paginas del Formulario 940PR luego y FIRMARLO. See Exhibit 3.11.154-2, Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022).
Form 940 (sp).	Edit to the right of the works TIENE que completar ambas paginas del Formulario 940 (sp) luego y FIRMARLO. Exhibit 3.11.154-3, Form 940 (sp) (Revision 2023 and later).
Form 940 (Revision 2005 and prior)	Edit to the center of the bottom margin on Page 1.
Form 940 (PR) (Revision 2005 and prior)	Edit to the center of the bottom of Page 1.

(4) If instructed to issue a Letter 1382C, See IRM 3.11.154.3.9.1, Form 3893, Re-Entry Document Control **when Form 3893 is attached** or See IRM 3.11.154.3.9.2, Form 13596, Reprocessing Returns **when Form 13596 is attached** to determine if a letter should be issued.

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3.11.154.2.10.1
(01-01-2017)
♦**CCC "D" - Reasonable
Cause for Failing to Pay
Timely**♦

(1) Do not edit CCC "D", if the taxpayer requests abatement for Failing to Pay Timely when the return is submitted. Send Letter 1382C to inform the taxpayer of the proper procedure to follow to request abatement, if, and when a penalty is assessed.

(2) Edit CCC "D" if an internal use form or routing slip is attached and indicates "DO NOT ASSESS FAILURE TO PAY PENALTY".

Note: Do not enter CCC "D" if the return is prepared by the IRS under IRC 6020(b) and the return due date (without regard to extensions) is after July 30, 1996.

3.11.154.2.10.2
(01-01-2024)
CCC "F" - Final Return

(1) Edit CCC "F" when the taxpayer:

    a.   Checks the Box for "Will not have to file returns in the future." (Revision 2005 and prior) or "Final: Business Closed or stopped paying wages" (Revisions 2006 and subsequent)

    b.   Gives positive indication that they will not be liable for filing future returns.

    c.   The common indications of a final return are notations such as (but not limited to) Final, Deceased, Out of Business, Liquidation, Dissolved, Exempt under IRC 501(c)(3) or IRC 501(c)(5).

Note: If taxpayer states, not liable or no employees on non - taxable returns **do not** edit CCC "F".

(2) If the return is a **federally-recognized Indian Tribal Government (or its in-strumentalities)**, see IRM 3.11.154.3.5, Indian Tribal Government Procedures when any of the following notations are written to show they are exempt to the FUTA tax:

    •   Indian Tribal Government for tax years 2000 and subsequent

    •   Announcement 2001-16

    •   IRC 3306(c)(7)

    •   The Community Renewal Tax Relief Act of 2000; (Section 166)

    •   H.R. 5662, incorporated in H.R. 4577, the Consolidated Appropriations Act, 2001

    •   Public Law No. 106 -554, 114 Stat. 2763

    •   Similar explanation as described above

(3) If Box d (e.g., Final Return shown on Revisions 2006 or later) is not marked, mark the Box in addition to entering CCC "F".

3.11.154.2.10.1   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
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IF	AND	THEN
Only Entity information is present e.g., Name or Name Control, EIN, Tax Period, Address, e.g., Street, City, State, and ZIP Code, and there are no attachments containing tax,		Correspond for signature. ***Caution:*** Before corresponding, research IDRS for status of filing requirement. If the filing requirements are finalized (closed) or there is no filing requirement, Take the return to lead for disposition. ***Note:*** If the return indicates it is being filed under IRC 6020(b), e.g., IRC 6020(b) written on margin: DO NOT correspond. See IRM 3.11.154.3.8.1, IRC 6020(b), Prepared by Collections for address to send return to. If the return meets the criteria for a Collection Secured Return or Examination Secured Return, see IRM 3.11.154.3.8.2, Collection Secured or see IRM 3.11.154.3.8.4, Examination Secured for processing procedures.
There is an indication of a previously filed Final Return,		a. Research IDRS to determine the status of the filing requirements. b. If the filing requirements are finalized or there is no filing requirement, take the return to lead for disposition.
IRC 501(c)(3) or IRC 501(c)(5) is notated on the return,	ONE of the following is present in the Entity Name: • Church(s) - IRC 501(c)(3) • Unions - IRC 501(c)(5) • Municipal Groups - IRC 501(c)(3) • non profit organizations) (Schools and Hospitals) • Foundations - IRC 501)c)(3) • Tax Exempt Organizations - IRC 501(c)(3) • (Colleges, Museums.)	Edit CCC "F" on the return and continue processing.

IF	AND	THEN
IRC 501(c)(3) or IRC 501(c)(5) is notated on the return,	None of the above is present in the Entity Name	1. Research IDRS for Form 990, Return of Organization Exempt From Income Tax F/R. If found, then edit CCC "F" on the return and continue processing. 2. If no Form 990, Return of Organization Exempt From Income Tax F/R is found, correspond using Letter 142C, requesting copy of Exemption Letter from the IRS. 3. If No Reply, notate on Form 4227 **Do Not Edit CCC "F" on return** and continue processing.
Form 1040 Schedule H is attached	The Form 940 liability (on line 12) is the same as the Form 940 Schedule H (Line 27 or line 25) FUTA liability.	See IRM 3.11.154.3.11, Form 1040 Schedule H.

3.11.154.2.10.3
(01-01-2017)
♦**CCC "G" - Amended Return**♦

(1) See IRM 3.11.154.3.7, Amended Returns.

3.11.154.2.10.4
(01-01-2022)
CCC "J" - Reasonable Cause for Failing to Make Timely Deposits

(1) **Do not** edit CCC "J" when the taxpayer requests abatement for Failing to Make Timely Deposits when the return is submitted. Whenever the taxpayer has requested penalty relief, send Letter 1382C, Penalty Removal Request Incomplete to inform the taxpayer of the proper procedure to follow to request abatement, if, and when a penalty is assessed.

Exception: See IRM 3.11.154.3.9.1, Form 3893, Re-Entry Document Control **when Form 3893 is attached** or See IRM 3.11.154.3.9.2, Form 3893. Reprocessing Returns **when Form 13596 is attached** to determine if a letter should be issued.

(2) If the taxpayer **does not request abatement, but notates that they are filing an aggregate FUTA return**, edit CCC **J**. See IRM 3.11.154.3.16, Aggregate Form 940 Returns. You can identify the return as being filed in the aggregate by any of the following notations indicated by the taxpayer at the top of the return or in the entity section of the return:

- State
- City
- County
- Notice 2003-70
- Fiscal Agent
- Fiscal Intermediary
- Home-Care Service Provider
- Household Employer Agent
- Chore Workers

- Certified Professional Employer Organization

Note: In the case of a disaster, specific instructions for the use of this code will be provided at that time.

| 3.11.154.2.10.5 (01-01-2017) **CCC "O" - Module Freeze** | (1) CCC "O" is entered when a pre-settlement Manual Refund will be made and a Form 3753, Form 5792 or Form 12857 is attached. Verify that the Name Control, EIN, and Tax Period on the return is the same as the data on the form. When editing CCC "O", research to determine if TC 840 (Manual Refund Transaction) has posted. |

IF	THEN
TC 840 has posted	Enter CCC "O" and continue processing.
TC 840 has not posted	Enter Action Code 341 to issue Manual Refund.

3.11.154.2.10.6
(01-01-2023)
♦**CCC "R" - Reasonable Cause for Failing to File Timely Return**♦

(1) Do not edit CCC "R" when a reason is given by the taxpayer for a delay in filing a return. Issue Letter 1382C Penalty Removal Request Incomplete and continue editing the return.

Exception: Do not issue Letter 1382C on a Re-entry return.

(2) Edit CCC "R" on the return when any of the following conditions are present:

- There is an indication such as "DO NOT ASSESS FAILURE TO FILE PENALTY" on a secured return annotated with "599".
- If an internal use form or routing slip is attached and indicates do not assess failure to file penalty.

Note: All "R" coded returns must have an IRS Received Date. If one is not present, edit the IRS Received Date in the middle of the return.

Note: CCC "R" cannot be used with CCC "4".

3.11.154.2.10.7
(01-01-2023)
♦**CCC "W" - Return Cleared by Statute Control**♦

(1) See IRM 3.11.154.3.6, Statute Returns.

3.11.154.2.10.8
(01-01-2017)
CCC "X" - Refund/Settlement Freeze

(1) **Edit CCC X when the following conditions occur:**

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IF	THEN
The taxpayer requests any balance left over after paying tax and/or penalties be applied to another account, *Note:* Subtract the tax, penalties and interest amounts from the remittance amount, if available.	1. Edit CCC "X". 2. Prepare Form 3465 and route to Accounts Management with the request and a photocopy of Page 1 of the return. 3. Notate Form 3465 Prepared on original Form 940.
There is no reply to correspondence and a refund is due,	Edit CCC "X" and "3".

3.11.154.2.10.9
(01-01-2023)
♦**CCC "3" - No Reply to Correspondence**♦

(1)   Edit CCC "3" when the return is unprocessable due to no reply from correspondence, e.g., for example, correspondence for the signature.

3.11.154.2.10.10
(01-01-2023)
CCC "4" - IRC 6020(b) Return

(1)   Edit CCC "4" when the IRS's Compliance Branch has prepared a return and the revenue officer has entered IRC 6020(b). See IRM 3.11.154.3.8.1, IRC 6020(b) Prepared by Collections.

Note: CCC "4" cannot be used with CCC "R".

(2)   IRC 6020(b) Form 940 returns, at the campus' option, can be processed through ISRP or SCRIPS.

3.11.154.2.10.11
(01-01-2024)
CCC "5" - Successor Employer

(1)   The taxpayer will signify if they are a Successor Employer by checking Box b of the Form 940 , Form 940 (PR) (Revisions 2006 - 2022), or Form 940 (sp). This designation will notify the IRS that the employer is entitled to certain credits based on payments made by the predecessor employer. If the taxpayer marks Box b, enter CCC "5", which will signify that they are a successor employer.

(2)   If the taxpayer signifies that they are a Successor Employer on the return or attachments, and Box b is not checked, check Box b in addition to entering CCC "5".

3.11.154.2.10.12
(01-01-2023)
CCC "7" - Reasonable Cause Denied

(1)   **Do not** edit CCC "7" when the taxpayer requests an abatement for failing to file or for failing to pay taxes timely, when submitting a return. Whenever the taxpayer has requested penalty relief, send Letter 1382C to inform the taxpayer of the proper procedure to follow to request abatement, if, and when a penalty is assessed.

Exception: See IRM 3.11.154.3.9.1, Form 3893, Re-Entry Document Control **when Form 3893 is attached** or See IRM 3.11.154.3.9.2, Form 13596 - Reprocessing Returns **Form 13596 is attached** to determine if a letter should be issued.

3.11.154.2.10.9   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
                                                        Any line marked with a #
                                                          is for **Official Use Only**

3.11.154.2.10.13
(01-01-2025)
**CCC "9" - No Payments
to Employees (Revision
Year 2006 and
Subsequent)**

(1) The taxpayer should show that no payments were made to employees by checking Box c (Revisions 2006 and subsequent). If Box **c** is or is not checked do the following:

IF	THEN
The return is: • Signed, or • A signed statement is attached (e.g., indicating or using phrases to indicate no payments were made to employees),	If Lines 7 - 12 and Line 14 are all blank, zero, dash or none: • Edit CCC "9" • Check Box c. If not checked • See Figure 3.11.154-3, No Payments to Employees and CCC **9** Edited.
The return is: • Not signed, or • A statement attached is not signed (e.g., indicating or using phrases to indicate no payments were made to employees),	If Lines 7 - 12 and Line 14 are all blank, zero, dash or none: • Do not edit CCC "9" • Do not check Box c. if not checked.
Lines 7 - 12 and Line 14 contains an amount greater than $0,	Do not edit CCC "9" and Do not check Box c. if not checked. Place an asterisk (*) as closely as possible to the left of the Box.

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **3.11.154.2.10.13**
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DRAFT

Form **940 for 2024:** Employer's Annual Federal Unemployment (FUTA) Tax Return

Department of the Treasury — Internal Revenue Service

850113

OMB No. 1545-0029

Employer identification number (EIN) 0 0 – 6 3 5 1 9 5 0

Name (not your trade name) Shannon Magnolia

Trade name (if any) Magnolia Blossom Spa

Address 99 Mangrove Ave.

Number   Street   Suite or room number

Oklahoma City   OK   73125

City   State   ZIP code

Foreign country name   Foreign province/county   Foreign postal code

Type of Return
(Check all that apply.)

☐ a. Amended

☐ b. Successor employer

☒ c. No payments to employees in 2024

☐ d. Final: Business closed or stopped paying wages

Go to *www.irs.gov/Form940* for instructions and the latest information.

Read the separate instructions before you complete this form. Please type or print within the boxes.

Part 1: Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.   **1**

1a   If you had to pay state unemployment tax in one state only, enter the state abbreviation .   1a   O   K

1b   If you had to pay state unemployment tax in more than one state, you are a multi-state employer . . . .   1b   ☐ Check here. Complete Schedule A (Form 940).

2   If you paid wages in a state that is subject to CREDIT REDUCTION   2   ☐ Check here. Complete Schedule A (Form 940).

Part 2: Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.

3   Total payments to all employees   3   0.

4   Payments exempt from FUTA tax 4

Check all that apply: 4a ☐ Fringe benefits   4c ☐ Retirement/Pension   4e ☐ Other
     4b ☐ Group-term life insurance   4d ☐ Dependent care

5   Total of payments made to each employee in excess of $7,000 5

6   Subtotal (line 4 + line 6 = line 6)   6   0.

7   Total taxable FUTA wages (line 3 – line 6 = line 7). See instructions   7   0.

8   FUTA tax before adjustments (line 7 x 0.006 = line 8)   8   0.

(stamp: RECEIVED 02212025 OGDEN, UT RS-OSC)

Part 3: Determine your adjustments. If any line does NOT apply, leave it blank.

Part 7: Sign here. You MUST complete both pages of this form and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that no part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments made to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

DRAFT

Sign your name here   *S. Magnolia*

Print your name here

Print your title here

Date   /   /

Best daytime phone

• If line 14 is more than $500, you must deposit your tax.
• If line 14 is $500 or less, you may pay with this return. See instructions   14   .

15   **Overpayment.** If line 13 is more than line 12, enter the excess on line 15 and check a box below   15   0.

You **MUST** complete both pages of this form and **SIGN** it.   **9**   Check one: ☐ Apply to next return. ☐ Send a refund.

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.   Cat. No. 11234O   Form **940** (2024)

Figure 3.11.154-3 No Payments to Employees and CCC "9" Edited

3.11.154.2.11
(01-01-2024)
Pre-Computed Penalty and Interest Code

(1)   Code and Edit will **no longer edit** the Penalty and Interest code 1 on the Form 940, Form 940 (PR), or Form 940 (sp).

3.11.154.2.11   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
33581803   Any line marked with a #
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3.11.154.2.12 (01-01-2024) **Pre-Computed Penalties - Failure to Deposit Penalty (FTD)**	(1) Code and Edit will **no longer edit** the FTD Penalty on Form 940, Form 940 (PR) revision 2022-2006, Form 940 (sp).

3.11.154.2.13
(01-01-2023)
Other Pre-Computed Penalties

(1) The Internal Revenue Code (IRC) provides for other penalties to be assessed against taxpayers, including those penalties described in IRC 6663 and IRC 6674.

(2) Provisions have not been made for assessing these penalties on the original input of the return. Therefore, they should not be included on the return.

(3) Pre-Computed penalties other than Delinquency (Late Filing Penalty), Failure to Deposit Penalty (FTD) or Failure to Pay (FTP) should be handled as follows:

  a. Edit a receive date if not present. See IRM 3.11.154.3.3, Received Date.
  b. Prepare a Form 3465 to request an assessment of the penalty.
  c. If a remittance amount includes all or part of the penalty, indicate on the Form 3465 that this part of the remittance is available for application to the assessment.
  d. Edit CCC "X" to freeze the refund until the assessment for penalty posts to the BMF.
  e. Annotate in the left margin of the return 3465 Prep.
  f. Route Form 3465 to Accounts Management.

(4) Failure to Deposit - When a pre-computed Failure to Deposit penalty is shown on the return, add the penalty amount to the balance due amount or, subtract the amount of the penalty from the overpayment (refund) amount claimed.

(5) Delinquency, Failure to Pay and Minimum Penalty - When a Delinquency, Failure to Pay, or Minimum Penalty is shown on the return, subtract the penalty from the balance due amount if the taxpayer has computed the penalty and interest, and added it to the balance due amount.

3.11.154.2.14
(01-01-2023)
Unprocessable Conditions

(1) A return must contain specific items before it is considered processable and timely filed. Perfect all documents to the extent possible from schedules and other attachments. The specific items needed are:

  • An Employer Identification Number **(EIN)**
  • A legible name (for name control)
  • A valid Tax Year
  • Legible tax data, if tax liability is shown
  • A signature attesting to the perjury statement shown on the document

(2) **Conditions which make a document unprocessable are:**

  a. Name so illegible or incomplete that the name control cannot be determined.
  b. EIN is other than 9 numeric digits (XX–XXXXXXX), and cannot be perfected from information on the return or attachment.
  c. The document has two or more EINs.
  d. Taxpayer files a return for more than one type of tax.
  e. Tax data entries on the document are so incomplete, illegible or contradictory that the tax liability cannot be determined.
  f. The document is blocked incorrectly.

g.   Any condition set forth as unprocessables in the specific procedures.
h.   The return is **unsigned**, or signed in the wrong location,
i.   The return has only entity data and no other statements, attachments or signature by the taxpayer.

(3) **Procedures for Unprocessables Documents**

a.   After IDRS research, returns with unresolved entity problems should be routed to the Entity Control function for research (AC 320).
b.   On a return with multiple EINs or illegible name, take the following action:

IF	AND	THEN
Multiple EINs are present,	The return is numbered,	1. Edit Action Code 320. 2. Leave return in batch.
Multiple EINs are present,	The return is unnumbered,	1. Remove return from batch. 2. Route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal for EIN assignment
Illegible name to determine name control,	The return is numbered,	1. Edit Action Code 352 (Name Research). 2. Prepare and attach Form 4227. 3. Leave the return in the batch.
Illegible name to determine name control,	The return is unnumbered,	1. Research IDRS. 2. If found, edit to the proper location. 3. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.

(4) DO NOT send the following unprocessable returns to the Hold File:

Note: **Local procedures determine where the Hold File will be maintained.**

IF	THEN
Overpaid returns for which the taxpayer replied but it is still unprocessable or for which no reply is received,	Edit CCC "X" on the return.
The only tax data entries on the return represent FTD credits and/or balance due/overpayment amounts,	
The return is an IRC 6020(b) prepared by a Compliance, Substitute For Return (SFR) prepared by Examination, and the return is unprocessable,	Route the return (per local procedures) to: **Internal Revenue Service** **2970 Market St.** **Mail Stop 2 - J11.151** **Philadelphia, PA 19104**
The return contains no entity data or signature, and the only entries on the return are figures,	Give the return to your manager for administrative determination.
The return falls into the category of undeliverable, this includes returns devoid of entity that cannot be identified by a signature after IDRS research,	Pull the return from the batch and give to your manager for disposition following the Records Control Schedules, Document 12990, Catalog 57910D.

(In the right margin, next to the second table row: `#` `#` `#`)

3.11.154.2.14.1
(01-01-2023)
Blank Returns Indicating Payroll Service or Leased Employees

(1)   Returns received with no tax data and taxpayer states the return is filed by another company should be processed as follows:

IF	THEN
The taxpayer submits a blank Form 940 (no tax data entries) and states that they have a payroll service that files the return,	Give the return to your manager or lead to be disposed of as classified waste.
The taxpayer submits a blank Form 940 (no tax data entries) and states they have leased employees, but you are unable to determine if it is a payroll service or a company who leased employees,	Correspond using Letter 142C, as applicable. If the initial return is unsigned also correspond for the signature.

3.11.154.2.14.2
(01-01-2017)
Unprocessable Returns with Replies

(1)   This function will take place in Rejects.

3.11.154.2.14.3
(01-01-2017)
No Replies on Unprocessable Returns

(1)   This function will take place in Rejects.

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| 3.11.154.2.15
(11-07-2017)
♦Correspondence♦ | (1) | There are two types of correspondence Code and Edit may encounter: |

- Correspondence received from taxpayer
- Correspondence issued to taxpayer

3.11.154.2.15.1
(01-01-2021)
♦Definition of
Correspondence from
Taxpayer♦

(1) Correspondence is all written communications from a taxpayer or their representative, excluding tax returns, whether solicited or unsolicited. This includes:

a. Written communications in response to the IRS requests for information or data.
b. Written communications, including annotated notice responses, that provide more information or dispute a notice.
c. A telephone call that results in a written referral or research (Form 4442, Inquiry Referral).

(2) The key to identifying taxpayer correspondence is to ask the following questions:

a. Is taxpayer waiting for a response from the IRS?
b. Is taxpayer waiting for the IRS to take action?
c. Is taxpayer asking a question?

Note: A Post-It-Note, Sticky Note, or some other type of note stuck on the return by another function, for example - Taxpayer (TP) requests penalties be waived - does not constitute correspondence from the taxpayer.

3.11.154.2.15.2
(01-01-2025)
♦Issuing
Correspondence♦

(1) Issue correspondence to resolve any conditions causing the return to be unworkable or unprocessable.

Exception: **Do not** correspond on returns prepared by Collections, IRC 6020(b) or by Examination and Substitute for Return (SFR).

(2) **Correspondence requiring a response** can be initiated in one of two ways when instructed to correspond.

- Complete Form 12522, 940 Correspondence Action Sheet - Letter 142-C, staple to Page 1 just under the entity area of return and edit Action Code 211 on return (215 for second correspondence), 215 for International Correspondence, or
- Paperless correspondence - Edit Action Code 211 (215 for second correspondence), 215 for International Correspondence followed by a dash (-), then the correct selective paragraph codes from Form 12522 and any more paragraphs(s) on Letter 142C representing the correspondence issue.

Reminder: Within these paragraphs, there may be fill-ins that the tax examiner must enter, such as, tax period, form number, DLN, etc.

Note: It is now acceptable to receive a missing signature, forms, etc., by fax. Be sure to include the letter paragraph advising the taxpayer of this option when completing Form 12522, Letter 142C.

(3) **Correspondence not requiring a response** is initiated as follows:

- Photocopy the first Page of the return and

- Complete Form 12522, 940 Correspondence Action Sheet - Letter 142-C and staple just under the entity area of return photocopy. If using the paperless option no need to attach Form 12522 to the return photocopy.
- Edit an Action Trail (e.g., "Letter 142C sent") in the lower left corner going vertically up the side of the return.
- Edit Action Code 211 or 215 on the return.
- On a paperless correspondence edit the photocopy of return with Action Code 211 (215 for second correspondence), or Action Code 215 for International Correspondence followed by a dash (-), then the correct selective paragraph codes from Form 12522 and any more paragraphs(s) on Letter 142C representing the correspondence issue.
- Forward the photocopy to the Correspondence Area.
- Finish editing the return and leave in batch.

(4)   If the return is incomplete and doesn't appear to be a return meant for filing or is a conduit for providing information (e.g., indicates "payment only"), give the return to the lead. The lead must determine the correct course of action. The lead researches for a Transaction Code (TC) 150 and any other research necessary to determine if the return should continue processing, is an amended return, or must be routed to another function. An incomplete return could include any of the following:

- A one-page return, with or without a signature.
- Incomplete returns indicating Payment Only.
- Incomplete returns indicating they have previously E-filed.

Note: This list is not all inclusive. Tax Examiners may see other unusual documents not addressed in this subsection or in other areas of the IRM.

(5)   Examine the return for all unprocessable conditions before initiating correspondence.

3.11.154.2.16
(01-01-2023)
♦Use of Fax for
Taxpayer Submissions♦

(1)   Taxpayers may send tax return information via fax as part of return perfection even when submitting a signature. In circumstances where contact with the taxpayer is made and documented, **faxed signatures are acceptable.**

(2)   Contact the taxpayer by telephone or correspondence. Follow local procedures to decide which method of contact to use.

(3)   Indicate the fax paragraph on the approved Correspondence Action Sheet to inform the taxpayer of the fax options.

(4)   Use the following resources to make sure you are speaking with the taxpayer or authorized representative before disclosing any tax information:

- IRM 21.1.3.2.3, Required Taxpayer Authentication
- IRM 21.1.3.2.4, Additional Taxpayer Authentication

(5)   Before leaving any messages on a taxpayer's answering machine, review:

- IRM 10.5.1.6.7.2, Answering Machine or Voicemail
- IRM 10.8.1, Information Technology (IT) Security, Policy and Guidance

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3.11.154.2.17 (01-01-2024) **Third-Party Designee**	(1)	The Third-Party Designee election is there to allow a designated individual to discuss and/or disclose information about the taxpayer's Form 940, Form 940 (PR)revision 2022 and prior, or Form 940 (sp) with the IRS. The Third-Party Designee election applies only while the return is being processed, and the third-party designation authority expires one year from the due date of the return in question. Refer to IRM 21.1.3.3.1, Third-Party Designee Authentication.
	(2)	The Third-Party Designee is located in Part 6, Form 940, Form 940 (PR) (Revisions 2006 and subsequent) and Form 940 (sp).
3.11.154.2.17.1 (01-01-2017) **Third-Party Designee Check Box**	(1)	The Third-Party Designee Check Box (Yes or No) indicates whether the taxpayer has elected to allow the named **Third-Party Designee** to answer questions about the taxpayer's return as it is processed.
	(2)	**No action is required**.
3.11.154.2.17.2 (01-01-2024) **Third-Party Designee Phone Number**	(1)	The **Third-Party Designee** phone number is in Part 6 of Form 940 , Form 940 (PR) revision 2022-2006, and Form 940 (sp).
	(2)	**No action is required.**
3.11.154.2.17.3 (01-01-2017) **Third-Party Designee Personal Identification Number (PIN)**	(1)	The PIN number is self-selected by the taxpayer or designee. It is not assigned by the IRS.
	(2)	This field can be up to 5 characters long.
	(3)	The entry may be a combination of alpha (a-z) and numeric (0-9).
	(4)	**Asterisk (*) to the left if illegible.**
3.11.154.2.18 (01-01-2024) ♦**Paid Preparer Section**♦	(1)	The Paid Preparer information is in Part 7 of Form 940, Form 940 (PR) (Revision 2008 and subsequent), or Part 8 (revisions 2007 - 2006) and Form 940 (sp).
3.11.154.2.18.1 (01-01-2023) ♦**Paid Preparer Social Security Number or Preparer Tax Identification Number**♦	(1)	The Paid Preparer's Social Security Number (SSN) is a nine-digit number. The SSN cannot be all zeros, all nines, or all the same repeating digit.
	(2)	The Preparer Tax Identification Number (PTIN) consists of nine characters. The PTIN begins with the letter P followed by eight numbers (e.g., PXXXXXXXX).
	(3)	If the Preparer's SSN or PTIN is invalid, all zeros, all nines, or all the same repeating digit, **asterisk (*) to the left of the entry.** No other editing is required.
3.11.154.2.18.2 (01-01-2023) ♦**Paid Preparer Employer Identification Number**♦	(1)	The Paid Preparer's EIN is the TIN of the firm or business where the individual preparer works.
	(2)	The Paid Preparer's Employer Identification Number (EIN) must consist of nine numbers. The EIN cannot be all zeros, all nines, or all the same repeating digit.

(3)   If the **Paid Preparer's EIN is invalid**, asterisk (*) to the left of the entry. No other editing is required.

3.11.154.2.18.3
(01-01-2017)
♦Paid Preparer Phone Number♦

(1)   No action is required on amended returns.

(2)   If a complete Paid Preparer Phone Number is located on the Paid Preparer's Phone Number line, no editing of this line is necessary.

(3)   If the Paid Preparer's Phone Number is incomplete, illegible, or less than 10 digits, review the return and all attachments.

Note: If more than 10 digits are present, continue processing the return. Only the first 10 digits will be transcribed.

IF	THEN
A complete Paid Preparer's Phone Number is located elsewhere on the return or attachments,	Edit to the Phone Number line.
A complete Paid Preparer's Phone Number is not located or the number is illegible,	Asterisk (*) to the left of the incomplete or illegible phone number.

3.11.154.2.19
(01-01-2025)
Signature

(1)   A signature and jurat are required on all returns except the following:

- Returns prepared under IRC 6020(b). These returns must be signed by a Compliance Function Representative. See IRM 3.11.154.3.8.1, IRC 6020(b)Prepared by Collections.

Note: Starting July 1, 2013 we will accept the revenue officer (RO) electronic or typed signature will be accepted as a valid signature.

- Returns prepared by Examination. for example, SFR (Substitute For Return) or SUBSTITUTE RETURN See IRM 3.11.154.3.8.3, Examination Prepared.
- Dummy returns prepared by the IRS.
- Returns filed under IRC 501(d), a Religious or Apostolic Organization.
- Correspondence containing a signature and jurat is attached showing that the taxpayer is responding to an IRS letter. See paragraph (9) below.
- Re-entry returns originally filed electronically (E-File). These returns may be identified by the presence of Mod E-file printouts or **e-file GRAPHIC print - Do not process or Tax Return Print (TRPRT) Do Not Process** in lieu of an actual return.

Note: If the e-file GRAPHIC print or the TRPTR print states **e-file GRAPHIC PRINT or TRPRT print - Do not process** in the top margin, circle "Do Not Process".

(2)   Do not correspond for a signature on CII returns that have Form 13596 attached. See IRM 3.11.154.3.10, Correspondence Imaging Inventory (CII) Returns, for processing instructions.

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(3)   If a signature is present on line designated for the taxpayer signature and Page 1 of Form 940, Form 940 (PR) revision 2022-2006, or Form 940 (sp) is missing take the following action:

- Pull the return and take to Lead Tax Examining Technician to research IDRS command code BMFOLE for TC 150.
- If BMFOLE reflects a TC 150 discard the Page 2 as classified waste.

(4)   If a signature is missing:

Note: See IRM 3.11.154.2.15.2, Issuing Correspondence for returns that are incomplete and appear to be duplicate filing.:

IF	THEN
• The return is not signed on the line designated for the Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp)signature, • The jurat is not present on the line designated for the Form 940, Form 940 (PR)revision 2022 and prior, or Form 940 (sp)signature (non-standard return). • Only the Entity information is present and there are no attachments containing tax data.	a. Edit Action Code **225** (Correspondence for Signature Only) or **226,** (International Correspondence for Signature Only). b. **Follow local procedures for pulling or leaving the return** in batch and continue processing.

Note: Paper returns sent in by the filer that states their return was rejected through the E-file system require a signature. Form 8879-EMP is not an acceptable substitute for a paper return.

(5)   If the jurat is altered or stricken (crossed out), see IRM 3.11.154.3.14, Frivolous Arguments.

(6)   Accept a signature declaration, (a signature with a jurat obtained through IRS correspondence), if attached to the return.

Note: **Edit an asterisk (*) in the left most position in the signature Box to indicate that a signature declaration is attached.**

a.   If the **signature declaration** is altered or stricken (crossed out), see IRM 3.11.154.3.14, Frivolous Arguments instructions.
b.   If the Taxpayer responds with a self-prepared signature declaration, it must contain the same language as the jurat on the tax return,(e.g., UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE EXAMINED THIS RETURN, INCLUDING ACCOMPANYING SCHEDULES AND STATEMENTS, AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT AND COMPLETE).
c.   Form 8879-EMP, IRS e-file Signature Authorization for Forms 940, 940(PR), and 940 (sp), is not an acceptable signature substitute for a paper return.

(7)   Since tax examiners are not expected to be handwriting experts, 26 Code of Federal Regulations (CFR) 301.6064-1 allows the service to presume that the

signature on a return, statement or other document is the true signature of the person who actually signed the document.

Note: A ✓ or **X** used to designate where the Form 940 should be signed on the return. When this happens:

IF	AND	THEN
An **X** is shown in the Sign your name here Box,	There is a name shown in the Print your name here Box,	Do not correspond.
An **X** is shown in the Sign your name here Box,	The Print your name here Box is blank,	Correspond with the taxpayer to obtain a signature.

(8) **Facsimile Signature:**

    a. **Rather than a handwritten signature an owner, partner, corporate office, or duty authorized agent may sign Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp) by facsimile (i.e., by rubber stamp, mechanical device, or computer software program).**

        Note: **If a facsimile is used, the person filing the form must keep a letter, signed by the individual authorized to sign the return declaring under penalties of perjury that the facsimile signature appearing on the form is the signature adopted by the person and that the signature is placed there by their direction.**

    b. **Correspond if no facsimile is found.**

(9) **For SCRIPS processing. If a return is submitted typed with blue or black ink and the signature is in orange or pink, place an asterisk (*) in the left most position in the signature Box to prevent the SCRIPS system from generating a notice to the taxpayer.**

(10) Only one correspondence effort is required for a signature.

3.11.154.2.20
(01-01-2017)
Tax Period

(1) All returns must have a Tax Period. Edit the Tax Period to the right of the form title in **YY** format.

IF	THEN
The return is for current processing year,	Do not edit current tax year. No editing is necessary.
The taxpayer has notated a Tax Period other than the current year,	Edit the Tax Period based on the taxpayer's indication.

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IF	THEN
The Tax Period is missing, incomplete, or illegible,	1. Review the return and attachments for the correct period. 2. If found, edit the Tax Period to the right of the form title in **YY** format. 3. Unable to determine the Tax Period after searching the return and attachments, process the return for the year currently being processed.
More than one Tax Period is shown on the return,	1. Review the return or the attachments and edit the correct Tax Period in **YY** format. 2. If the Tax Period cannot be determined, edit and process the return for the earliest Tax Period shown by the taxpayer.

(2) **Prepare a dummy return for each Tax Year involved when more than one tax year is shown on a return. Correspond with the taxpayer if a dummy return cannot be prepared.**

3.11.154.2.21
(01-01-2025)
Early Filed Returns

(1) An Early-Filed return is a return with a Received Date prior to the Tax Period Ending date.

(2) Never send back an Early-Filed return to the taxpayer.

Note: When correspondence issues are present on an Early-Filed return, edit the Correspondence Action Code (211,225, or 226 on the return. Edit Action Code 480 (Early filed- Suspense) on Form 4227 and forward for correspondence action.

(3) Do not edit Credit Reduction information on Early-Filed return.

Note: Do not delete Form 940 Schedule A if attached.

(4) Do not pull from pack if the return is an early filed SCRIPS.

IF	THEN
The taxpayer submits a return using a 2005 or prior revision and marks 2024 on the Calendar Year or Año contributivo line of the return,	Process through ISRP as a current year return.
The return is a **non-Final** early-filed and is a return with a processing date prior to November 1 and you cannot determine the reason for filing an early return,	Edit A/C 211 and correspond using Letter 142C (or acceptable local letter).

IF	THEN
The return is a **non-Final** early-filed and is a return with a receive date of November 1 through December 31,	Edit A/C 480 and leave in batch. ***Note:*** Form 940 is an annual return with a due date of January 31. Non-final returns are not filed without determining if the Credit Reduction States and Rates apply to them and the data is not available till November.
The return is early-filed, Final and complete,	1. Edit CCC "F". 2. Edit Action Code 480.
The return is early-filed, Final and incomplete,	1. If return is incomplete, correspond for missing data using Letter 142C (or an accepted local letter). 2. Suspend with AC 211. 3. Edit CCC "F".

3.11.154.2.22
(01-01-2024)
♦**IRS Employee Contacts**♦

(1) The Internal Revenue Service (IRS) Restructuring and Reform Act of 1998, Section 3705(a), gives identification requirements for all IRS employees working tax related matters.

(2) All IRS employees who communicate by telephone, face-to-face, or any other method of correspondence with taxpayers or their personal representatives on tax-related matters must give (at a minimum) the following information:

  a.   Telephone Contact - Their title (e.g., Mr., Mrs., Ms., Miss), last name and badge identification (ID Card) number. Toll-free employees may also give their location for identification purposes. Treat faxes to taxpayers on tax-related matters as correspondence and include the required information.

  b.   Face-to-Face Contact - Their title (e.g., Mr., Mrs., Ms., Miss), give as proper during the conversation, their last name and badge identification (ID Card) number.

  c.   Correspondence (sent to the taxpayer and authorized representatives) - A telephone number that taxpayers can call for answers to questions. In addition, manually generated correspondence must have the employee's title (e.g., Mr., Mrs., Ms., Miss), last name, Integrated Data Retrieval System (IDRS) number, and letter system number, which are systemically generated by IDRS. Treat faxes to taxpayers on tax-related matters as correspondence and include the required information.

  d.   Correspondex letters - Specific employee name and telephone number if the employee initiating the correspondence is in the best position to respond to any questions the taxpayer may have or if the taxpayer is being asked to give more case-related information. If the taxpayer does not need to contact a specific employee, the correspondence needs only an IRS telephone number and standard signature.

(3) When a taxpayer requests to speak with a specific employee who previously worked their inquiry or request, or complains about the level of service previously given, make every effort to resolve the taxpayer's inquiry. If unable to resolve the issue, refer the inquiry using established procedures to the manager.

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(4)   Secretaries, receptionists, or other people who answer the telephone in functional offices need to identify themselves. They should provide their badge identification (ID Card) number only if they are answering telephones which are routinely used to give tax or account information.

(5)   It is not necessary to repeat the badge identification (ID Card) number on a subsequent contact, when the nature of an employee's work involves multiple contacts with the same taxpayer and the employee has given the taxpayer (either by telephone or in-person) their badge identification (ID Card) number on the first contact.

3.11.154.2.23
(05-22-2024)
♦Taxpayer Advocate
Service (TAS)♦

(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)   TAS uses Form 12412, Operations Assistance Request (OAR), to start the OAR process of referring a case to the Taxpayer Services (TS) Division, to affect the resolution of the taxpayer's problem. For more information, refer to IRM 13.1.19, Taxpayer Advocate Service, Taxpayer Advocate Case Procedures, Advocating With Operations Assistance Requests (OARs).

(3)   Refer taxpayers to TAS when the contact meets TAS criteria (see IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria), or when Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order), is attached and steps cannot be taken to resolve the taxpayer's issue the same day.

(4)   The definition of "same day resolution" is within 24 hours. The following two situations meet the definition of "same day resolution":

- The issue can be resolved within 24 hours.
- The IRS takes steps within 24 hours to resolve the taxpayer's issue.

(5)   When making a TAS referral, use Form 911, and forward to TAS following your local procedures.

(6)   For more information, see IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria, and IRM 13.1.7.4, Exceptions to Taxpayer Advocate Service Criteria, for more information on cases that TAS will no longer accept..

3.11.154.2.23.1
(05-22-2024)
♦TAS Service Level
Agreement (SLAs)♦

(1)   The National Taxpayer Advocate reached agreements with the Commissioners of the Taxpayer Services (TS) Division, Small Business/Self Employed (SB/SE) Division, Tax Exempt and Government Entities (TE/GE) Division, Criminal Investigation, (CI), Independent Office of Appeals (Appeals) and Large Business and International (LB&I), that outline the procedures and responsibilities for processing Taxpayer Advocate Service (TAS) casework when either the statutory or delegated authority to complete case transactions rests outside of TAS. These agreements are known as Service Level Agreements (SLAs).

(2) The SLAs are found at *https://irsgov.sharepoint.com/sites/TAS/SitePages/SLA. aspx*.

3.11.154.2.24
(01-01-2022)
Local Desk Procedures

(1) Some SP Centers have developed local use Desk Procedures.

(2) Such procedures are only to be used:

- To supplement existing Headquarters' procedures.
- To expand SP Center Returns and Documents Analysis procedures by incorporating material from other IRMs, ADP (Automatic Data Processing) handbooks, etc.
- For local routing procedures.

(3) Unit managers must have a signed approval on file from the responsible Operations Manager on all SP Center Desk Procedures.

(4) All existing local information and procedural issuances should be reviewed by the Operations Manager upon receipt of the new IRM revision to ensure conformance with Headquarters procedures.

3.11.154.2.25
(01-01-2022)
♦Business Master File (BMF) Identity (ID) Theft♦

(1) BMF ID Theft is increasing. If a case is found with attachments or correspondence showing the taxpayer is a victim of ID Theft, give the entire case to the manager/lead.

(2) The manager/lead will expedite the case to the Planning and Analysis (P&A) staff for referral to one of the Submission Processing (SP) BMF ID Theft liaisons. The taxpayer must show that they are a victim of "ID Theft"; do **not** send cases that are subject to Criminal Investigation (CI), Examination (Exam), or Fraud review.

3.11.154.3
(01-01-2017)
Special Conditions

(1) Processing special return conditions in the code and edit function.

3.11.154.3.1
(01-01-2025)
♦Refund Returns (45 Day Jeopardy and High Dollar Refunds)♦

(1) Document Perfection is responsible for identifying refunds and for initiating requests for manual refunds.

Note: Expeditious processing of refund returns is critical if the 45-day period is about to expire.

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IF	THEN
A refund return is batched in a non-refund batch,	1. Pull the return from the non-refund batch and merge into a refund batch using local procedures. 2. Code and Edit the return as completely as possible. ***Exception:*** Follow the instructions below when the processing date is more than 20 days after the Received Date or the return due date or the refund is #
The processing date is more than 20 days after the Received Date or the Return Due Date ***Note:*** **Refund in this instruction means only the amount requested to be refunded to the taxpayer, not overpayments transferred to other periods.**	**Unnumbered Returns:** 1. Pull the return from the batch. # 2. Code and edit the return as completely as possible. # 3. Edit Action Code 341. 4. Give the return to the manager for expedite processing. **Numbered Returns:** 1. Code and edit the return as completely as possible. 2. Edit Action Code 341 and leave in batch.
Note: Refund in this instruction means only the amount requested to be refunded to the taxpayer, not overpayments transferred to other periods.	**Unnumbered Returns:** # 1. Pull the return from the batch. 2. Code and edit the return as completely as possible. 3. Edit Action Code 341. 4. Make a copy of the return for Criminal Investigation (CI). See IRM 3.11.154.3.15, Criminal Investigations (CI) Referral. 5. Expedite processing. **Numbered Returns:** 1. Code and edit the return as completely as possible. 2. Edit Action Code 341. 3. Make a copy of the first two pages of the tax return along with any page of the return that appears suspicious, Criminal Investigations (CI) Referral. 4. Edit an action trail Copy to CI, or CI Referral, or similar language in the lower left corner going vertically up the side of the return

| 3.11.154.3.2 | (1) | A return is normally delinquent if it is not received on or before the return due | # |

3.11.154.3.2
(01-01-2025)
Delinquent Returns

        # #

(1) A return is normally delinquent if it is not received on or before the return due before, or on the due date. If the due date falls on a weekend or legal holiday, the return is timely if postmarked by the first business day following the weekend or legal holiday. See IRM 3.11.154.3.3, Received Date for instructions on determining timeliness of returns.

(2) If the return is truly delinquent, check return or attachments for an explanation of late filing. Send the taxpayer Letter 1382C to inform the taxpayer we have received their request. Do not edit CCC "R" if a pre-computed delinquency penalty is shown. See IRM 3.11.154.3.9.1, Form 3893, Re-Entry Document Control when Form 3893 is attached, or See IRM 3.11.154.3.9.2, Form 13596 - Reprocessing Returns when Form 13596 is attached to determine if a letter should be issued.

Exception: For secured or prepared returns, edit the correct CCC as indicated on the return, any attachment, or Form 13133.

(3) Form 940 , Form 940 (PR) revision 2022 and prior, and Form 940 (sp) are annual (calendar year) returns.

    a. **The due date is the last day of the month following the end of the calendar year (January 31).**
    b. If **January 31 falls on Saturday, Sunday, or a legal holiday**, consider the return timely if postmarked by the first work day thereafter.

Tax Period ending	Return Due Date	Post Mark Date On or Before			# # #
Dec. 31, 2024	Jan. 31, 2025	Jan. 31, 2025			#
Dec. 31, 2023	Jan. 31, 2024	Jan. 31, 2024			#
Dec. 31, 2022	Jan. 31, 2023	Jan. 31, 2023			#
Dec. 31, 2021	Jan. 31, 2022	Jan. 31, 2022			#
Dec. 31, 2020	Jan. 31, 2021	Jan. 31, 2021			#
Dec. 31, 2019	Jan. 31, 2020	Jan. 31, 2020			#
Dec. 31, 2018	Jan. 31, 2019	Jan. 31, 2019			#
Dec. 31, 2017	Jan. 31, 2018	Jan. 31, 2018			#
Dec. 31, 2016	Jan. 31, 2017	Feb. 01, 2017			#
Dec. 31, 2015	Jan. 31, 2016	Feb. 02, 2016			#

3.11.154.3.3
(01-01-2025)
♦Received Date♦

(1) The date a document is received in the Campus or an IRS Office is the date stamped as the IRS Received Date.

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     (2)   A valid IRS Received Date is required on all Form 940, Form 940 (PR), and Form 940 (sp) returns.

IF	THEN	
	The return is considered timely.	# ##
postmark or shipment date is on or before the due date,	Edit the IRS Received Date to agree with the postmark date. *Note:* The postmark or shipment date includes returns delivered by: • U.S. Postal Service, • Private Delivery Services, e.g., See Exhibit 3.11.154-15, Section 7502(f) Designation of Private Delivery Services (Notice 2016-30). • Federal Express Corporation (Fed Ex) or United Parcel Service (UPS), or • Returns with a Foreign Postmark. *Note:* **For certified mail returns only in Code and Edit:** If a postmark is not present, look for a USPS.com Track and Confirm record attached to the return, e.g., right before the envelope. Use the Acceptance date to determine timeliness and follow normal editing procedures. See Exhibit 3.11.154-14, Track and Confirm Receipt. If the USPS.com Track and Confirm record is not attached, no action is required.	## ##########

     (3)   When a Form 940 , Form 940 (PR) revision 2022 and prior or Form 940 (sp) is delinquent and the taxpayer explains the return is late due to the rejection of a timely filed electronic return, check the return for a MeF rejection notification.

Note: Taxpayers are instructed to notate in red in the top margin of the return **REJECTED ELECTRONIC RETURN** to show the timely filed return cannot be filed electronically. The notation could be anywhere on the return and is not required, but they should attach a copy of the MeF rejection notification.

(4)   If a MeF rejection notification is not attached, perfection of the Received Date is not necessary. If a notification is attached, edit the IRS Received Date in MMDDYY format as follows:

Note: The taxpayer has 10 days to resubmit an electronically filed return after being rejected and 10 days to submit a paper return after the last rejection.

IF	AND	THEN
The postmark date is within 10 days of the date of the rejection,		Edit the IRS Received Date to be the date of the rejection. **For example**, postmark date is 02-09-2025 and first rejection is 01-31-2025. Change Received Date to first reject date 01-31-2025.
The postmark date is more than 10 days after the date of the rejection,		Leave the IRS Received Date as is. **For example**, postmark date is 02-11-2025 and first rejection is 01-31-2025. Leave the Received Date as is. *Exception:* Change the Received Date to the postmark date if the postmark date makes the return timely.
There are two rejections,	Within 10 days of one another and one is within 10 days of the postmark date,	Edit the IRS Received Date to be the date of the first rejection. **For example**, postmark date is 02-22-2025, the second rejection is 02-12-2025. The first rejection is 02-11-2025 Change the Received Date to the first rejection date 02-11-2025.
There are two rejections with the time between the first rejection and the second rejection greater than 10 days,	The second rejection is within 10 days of the postmark date,	Edit the IRS Received Date to be the date of the second rejection. **For example**, postmark date is 02-22-2025, the second rejection is 02-12-2025. The first rejection is 02-01-2025 Change the Received Date to second rejection date 02-12-2025.
There are two rejections,	Not within 10 days of one another and not within 10 days of the postmark date,	Leave the IRS Received Date as is. **For example**, postmark date is 02-23-2025, the second rejection is 02-12-2025. The first rejection is 02-01-2025. Leave the Received Date as is. *Exception:* Change the Received Date to the postmark date if the postmark date makes the return timely.

(5)   The IRS Received Date may or may not be stamped on the face of the return.

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(6)   A valid IRS Received Date Stamp may consist of the following:

- The word Received.
- Month (alpha or numeric).
- Day (for example; 1 or 01.
- Year - four digits.
- Area Office, Campus, Field Office, Taxpayer Assistance Center (TAC) plus the City, location, or function area within one of these sites (Compliance service Collection Operations (CSCO), Examination (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 SP, circle out the invalid Received Date and edit the correct Received Date according to instructions below. For example, returns received by the Taxpayer Advocate Service (TAS) or the IRS Office of Chief Counsel are not properly filed and a Received Date by that office is not the **IRS Received Date**.

(7)   If the Received Date is not present or the date is illegible/invalid, edit the Received Date in MMDDYY format in the middle of Page 1 of the return. Edit the Received Date in the following priority:

a.   The earliest legible Postmark Date (U.S. Postal Service, Foreign Postmark, or Private Delivery Service) on the envelope. Rules for using the U.S. Postal Service Postmark (USPS) or Foreign Postmark date are as follows:

IF	THEN
An envelope is not attached,	Use the postmark date stamped on the face of the return.
A document is returned for insufficient postage,	Use the postmark date that coincides with the correct delivery of the return.
The postmark is missing and the envelope is certified,	1. Look for a **USPS.com Track and Confirm** record attached to the return, e.g., right before the envelope. 2. Use the **Acceptance** date to determine timeliness and follow normal editing procedures. See Exhibit 3.11.154-14, Track and Confirm Receipt. 3. If the **USPS.com Track and Confirm** record is not attached, no action is required.
An envelope has a USPS and private metered postmark,	Always use the USPS postmark.
An envelope has a foreign and private metered postmark,	Always use the foreign postmark.
An envelope has two private metered postmarks,	Always use the latest private postmark.
An envelope has only one private metered postmark,	Use the private metered postmark.

b.   Service Center Automated Mail Processing System (SCAMPS) digital date.
c.   Revenue officer's Signature date.
d.   Signature date (only if within current year).
e.   Julian control date minus 10 days.
f.   Current date minus 10 days.

(8)   Edit the Received Date as follows:

IF	AND	THEN
A timely Received Date is the only Received Date stamped on the return,		No action is required.
Two or more dates stamped on the return,		1. Use the earliest IRS stamped Received Date. 2. Circle out all other dates. **Note:** Received dates, which are circled out by another function, should be treated as if they are not present.
A Federal return is addressed to the IRS,	delivered to a State agency	Use the postmark date as the Received Date.
A Federal return is addressed to a State agency,		Use the IRS date stamp as the Received Date.
Envelope is attached to the return,		1. Check the envelope for remittance. 2. If found, hand-carry remittance to your manager.
The only Received Date on the return is a Taxpayer Advocate Service (TAS) or Chief Counsel Received Date,		Circle out the TAS or Chief Counsel Received Date and edit the IRS Received date according to instructions.

Reminder: If an envelope is attached to the return, always check the envelope for remittance. If found, hand carry remittance to manager.

(9)   If a return is faxed to another area of the service and then sent to SP for processing, do not edit the Enterprise Electronic Fax (EEFax) Date as the IRS Received Date. Edit a Received Date according to normal procedures.

Caution: The EEFax Date **cannot** legally be used as an IRS Received Date.

3.11.154.3.4
(01-01-2025)
Non-Taxable Returns

(1)   Form 940 . Form 940 (PR) revision 2022 and prior, and Form 940 (sp) returns are non-taxable when any of the following exist:

•   They are filed without any tax data entries or with no entries for tax.
•   Search Type of Return Box c, Page 1 top right hand corner is checked.

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- Lines 3-8 Page 1 Part 2 Determine your FUTA tax before adjustments, are blank, zero, or none.
- Lines 9-11 Page 1 Part 3 Determine your adjustments are blank, zero, or none.
- Line 12 Page 1 Part 4 Determine your FUTA tax and balance due or overpayment is blank, zero, or none. .

Note: The taxpayer may also identify the return by stating **Not liable**, **No Employees**, **No Sujeto A Impuesto**, **No Tiene Empleados** will generally be shown on Form 940 (PR) and Form 940 (sp), or other similar phrases may be used.

(2) If there are indications on the return or attachments that the taxpayer is liable, correspond for all missing items necessary to process the return (unless otherwise directed by IRM procedures).

(3) If return is non-taxable and there is an indication the taxpayer is a single State filer, edit as follows:

IF	THEN
If Box 1a contains a valid Credit Reduction (CR) State Code, See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004),	1. If the State is a CR State: • Edit an asterisk (*) to the left of the entry in Box 1a, • and ZZ to the left of the asterisk. *Note:* State Code ZZ is only applicable in credit Reduction years, e.g., such as, Tax Year 2024 - 2004. • Edit an asterisk (*) to the left of Box 1b if marked. • Edit an asterisk (*) to the left of Box 2 if marked. 2. If the State is not a CR State: • Edit an asterisk (*) to the left of Box 1b if marked. • Edit an asterisk (*) to the left of Box 2 if marked.

IF	THEN

If Box 1a is blank,	Using the entity State Code determine if the entity State Code is a valid Credit Reduction (CR) State.
	See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).
	1. If the entity State Code is a CR State:
	• Edit ZZ in Box 1a.
	   Note: State Code ZZ is only applicable in credit Reduction years, e.g., such as, Tax Year 2024 - 2004.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.
	
	2. If the entity State Code is not a CR State:
	• Edit the correct entity State Code in Box 1a.
	   Exception: If the entity State Code is AA, AE, AP, AS, FM, GU, MH, MP, or PW, for a foreign country, edit ZZ in Box 1a.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.

If the State Code in Box 1a is not a valid State Code,
See Exhibit 3.11.154-7, **State Abbreviations**
	Using the entity State Code determine if the entity State Code is a valid Credit Reduction (CR) State.
	See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).
	1. If the entity State Code is a CR State:
	• Edit an asterisk (*) to the left Box 1a.
	• Edit the correct entity State Code to the left if asterisk.
	   Note: If the entity State Code is AA, AE, AP, AS, FM, GU, MH, MP, or PW, for a foreign country, edit ZZ in Box 1a.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.
	
	2. If the entity State Code is not a CR State:
	• Edit an asterisk (*) to the left of Box 1a.
	• Edit the correct entity State Code to the left of the asterisk.
	   Note: If the entity State Code is AA, AE, AP, AS, FM, GU, MH, MP, or PW, for aa foreign country, edit ZZ in Box 1a.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.

If the taxpayer indicates the return is **Final**,	Edit a CCC "F".
If the taxpayer claims exempt status under **IRC 501(c)(3)**,	Edit a CCC "F". Correspond if there is any doubt about the taxpayer's claim. See IRM 3.11.154.2.15, Correspondence.
If a signature is or is not present,	Follow normal procedures for perfecting the signature area.

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IF	THEN
The Quarterly Federal Tax Liability for Unemployment Tax (ROFTL) in Part 5 is incomplete or unnecessary,	Enter Schedule Indicator Code (SIC) **1**. See IRM 3.11.154.6.6.1, Schedule Indicator Code (SIC).
If taxpayer states, "not liable" or "no employees" on non - taxable returns,	**Do not** edit CCC "F".

3.11.154.3.5
(01-01-2023)
Indian Tribal
Government Procedures

(1) Services rendered to a federally-recognized Indian Tribal Government (or its instrumentalities) are **exempt** from FUTA tax, subject to the tribe's compliance with applicable State law.

(2) For submission processing purposes, Code and Edit employees should accept all FUTA tax returns notated or referenced with the following explanations for   #

a. Indian Tribal Government for tax years 2000 and subsequent
b. Announcement 2001-16
c. Internal Revenue Code Section 3306(c)(7)
d. The Community Renewal Tax Relief Act of 2000; (Section 166)
e. H.R. 5662, incorporated in H.R. 4577, the Consolidated Appropriations Act, 2001
f.   Public Law No. 106–554, 114 Stat. 2763
g. Similar explanation as described above

(3) Perfect the return as Non Taxable and Final. See the following procedures:

Reminder: If the return is an amended return see IRM 3.11.154.3.7, Amended Returns.

IF	THEN
An exempt payment is claimed,	Allow the entry.
Tax data is present,	1. Edit CCC "F" and asterisk (*) to the left of all **T Lines** making the return **non-taxable.** 2. If the taxpayer is claiming any Federal Tax Deposits, do **not** asterisk (*) the amount claimed. 3. Perfect the return so the overpayment is refunded to the taxpayer. See Figure 3.11.154-4, Perfecting Indian Tribal Government Return.

DRAFT

Indian Tribal Government

Form **940 for 2024:** Employer's Annual Federal Unemployment (FUTA) Tax Return

850113

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Employer identification number (EIN): 0 0 – 4 5 5 2 3 8 9

Name (*not your trade name*)

Trade name (*if any*): Tupelo Council

Address: 4429 Willow Trail
Number   Street   Suite or room number

Oklahoma City   OK   73125
City   State   ZIP code

Foreign country name   Foreign province/county   Foreign postal code

Type of Return
(Check all that apply.)

☐ a. Amended
☐ b. Successor employer
☐ c. No payments to employees in 2024
☒ d. Final: Business closed or stopped paying wages

Go to *www.irs.gov/Form940* for instructions and the latest information.

Read the separate instructions before you complete this form. Please type or print within the boxes.

1

Part 1: Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.

1a	If you had to pay state unemployment tax in one state only, enter the state abbreviation	1a O K
1b	If you had to pay state unemployment tax in more than one state, you are a multi-state employer	1b ☐ Check here. Complete Schedule A (Form 940).
2	If you paid wages in a state that is subject to CREDIT REDUCTION	2 ☐ Check here. Complete Schedule A (Form 940).

Part 2: Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.

3	Total payments to all employees	3 175,000.00
4	Payments exempt from FUTA tax	4 .
	Check all that apply. 4a ☐ Fringe benefits 4c ☐ Retirement/Pension 4e ☐ Other	
	4b ☐ Group-term life insurance 4d ☐ Dependent care	
5	Total of payments to each employee in excess of $7,000	5 75,000 00
6	Subtotal (line 4 + line 5 = line 6)	6 75,000.00
7	Total taxable FUTA wages (line 3 – line 6 = line 7). See instructions	7 ✳100,000.00
8	FUTA tax before adjustments (line 7 × 0.006 = line 8)	8 ✳600.00

RECEIVED
001   04152025   IRS-OSC
OGDEN, UT

Part 3: Determine your adjustments. If any line does NOT apply, leave it blank.

9	If ALL of the taxable FUTA wages you paid were excluded from state unemployment tax, multiply line 7 by 0.054 (line 7 × 0.054 = line 9). Go to line 12	9 .
10	If SOME of the taxable FUTA wages you paid were excluded from state unemployment tax, OR you paid ANY state unemployment tax late (after the due date for filing Form 940), complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet	10 .
11	If credit reduction applies, enter the total from Schedule A (Form 940)	11 .

Part 4: Determine your FUTA tax and balance due or overpayment. If any line does NOT apply, leave it blank.

12	Total FUTA tax after adjustments (lines 8 + 9 + 10 + 11 = line 12)	12 ✳600.00
13	FUTA tax deposited for the year, including any overpayment applied from a prior year	13 508.00
14	Balance due. If line 12 is more than line 13, enter the excess on line 14. • If line 14 is more than $500, you must deposit your tax. • If line 14 is $500 or less, you may pay with this return. See instructions	14 ✳92.00
15	Overpayment. If line 13 is more than line 12, enter the excess on line 15 and check a box below	15 508.

You **MUST** complete both pages of this form and **SIGN** it.   **F**   Check one: ☐ Apply to next return. ☐ Send a refund.

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11234O

Form **940** (2024)

Figure 3.11.154-4 Perfecting Indian Tribal Government Return

3.11.154.3.6
(02-01-2024)
♦**Statute Returns**♦

(1) A potential statute control return is any return with a Received Date that is 2 years and 9 months or more after the return due date.

(2) Statute returns must be routed to the Statute Control Unit daily or more often if needed.

(3) If any of the conditions listed below are present, **don't** route to Statute Control Unit for clearance. Instead, edit CCC "W", and continue processing:

- Compliance IRC 6020(b) returns.
- Secured by Examination/Collections, Secured by TE/GE, Secured by TE/GE Employee Plan (EP) Exam.
- Returns with TC 59X or ICS (Integrated Collections System) notated on the face of the return.
- Returns that are substitute returns prepared by Examination (SFR) in top margin of the return.
- Returns with a stamp showing a previous clearance by Statute Control within the last 90 days.
- Return is a 2020 and prior year original. Due to the COVID-19 pandemic and subsequent Submission Processing (SP) and Accounts Management (AM) site closures, SP and AM developed procedures to bypass AM statute clearance and be processed. In addition, any 2020 and prior year returns previously cleared by AM statute will not be returned by SP to AM to be cleared again if the 90-calendar day statute stamp has expired.

(4) If a return has any of the following computer paragraphs (CPs) or letters attached, **do not** route to Statute Control Unit for clearance. Edit CCC "W" if the return needs processing. See Exhibit 3.11.154-17, Routing Guide for Attachments, for more information.

- CP 259, Master File Generated 1st TDI Notice
- CP 959, Master File Generated 1st TDI Notice (Spanish version)
- CP 518, Final Notice - Return Delinquency
- Letter 112-C, Payment/Overpayment/Credit Applied; No Record of Return Filed
- Letter 282-C, Return Not Received: Copy Requested/Received
- Letter 2255-C, Delinquent Return (Forms 720, 1041, 1065, 1120)
- Letter 2284-C, Delinquent Return (Form 940, 941, 943, 944)

(5) If a return has a Form 12412, Operations Assistance Request (OAR), from TAS and is a potential statute control return but is not stamped "Cleared by Statute", give it to the lead. The lead contacts the TAS employee listed on the OAR for rejection of the return and sends it back to TAS for clearance by the Statute Control Unit.

Note: If the return is within 90 days of the statute expiration date, advise the TAS employee of such and route the return directly to Statute Control for clearance.

(6) Statute returns are unprocessable until they are cleared by Statute Control:

3.11.154.3.6   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
                                                                    Any line marked with a #
                                                                    is for **Official Use Only**

IF	THEN
The return is numbered,	1. Edit Action Code 310 on the return. 2. Attach Form 4227 and check the Box for Statute Control Unit. 3. Leave the return in the batch and continue processing.
The return is unnumbered,	1. Do not continue processing. 2. Pull the return from the batch. 3. Attach Form 4227 and check the Box for Statute Control Unit.

(7) Edit CCC "W" if the Statute Control Unit stamps or shows clearance on the front of the return.

(8) Follow the chart below to determine if CCC ""W"" is needed.

IF	AND	THEN
The return Received Date is 2 years and 9 months or more after the Return Due Date,	The return is stamped: • "No Statute issue" • "Statute N/A", or • similar statement indicating there is no statute issue.	Edit CCC "W".
The return Received Date is less than 2 years and 9 months from the Return Due Date,	The return is stamped, • "No Statute issue", • "Statute N/A", or • similar statement indicating there is no statute issue	Do **not** edit CCC "W."

3.11.154.3.7
(01-01-2023)
♦**Amended Returns**♦

(1) A return is considered Amended based on the following:

- The Amended Box is checked.
- Words such as "Supplemental", "Corrected", or "Additional" are present.
- Any indication from the taxpayer that a previous return was filed.

Note: Words such as "Copy" or "Duplicate" are not sufficient indicators and must be accompanied by a statement from the taxpayer that a previous return was filed.

(2) Examine the return for attachments:

- Do not separate any related attachments submitted to explain the reason for the Amended Return. Accounts Management may use the information.
- Detach any unrelated documents and route them to the correct function using Form 4227, Intra-SC Reject or Routing Slip, and edit the Action Trail on the return.

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **3.11.154.3.7**
Any line marked with a #
is for **Official Use Only**

(3)   Follow the instructions in the chart below when there is an indication of an amended return:

IF	THEN
Compliance Services entered **TC 59X** or **ICS** on the return,	Do not edit CCC "G". Process the return as an original.
Statute Control stamped" Delinquent Original Cleared for Processing",	Do not edit CCC "G". Process the return as an original.
Form 3893, Re-Entry Document Control, or Form 13596, Reprocessing Returns, is attached,	1. Do not edit CCC "G". 2. See IRM 3.11.154.3.9.1,- Form 3893, Re-Entry Document Control. 3. See IRM 3.11.154.3.9.2, Form 13596 - Re-processing Returns.
None of the above are present,	1. Edit CCC "G". No other codes may be used with a CCC "G". ***Exception:*** CCC "W", CCC "3" and Error Resolution System (ERS) Action Codes may be used with CCC "G". See Figure 3.11.154-5, Amended Return Edited with CCC "G". 2. If the Amended Box "a" is not marked, then mark Box "a". (Revision 2006 and subsequent)

(4)   Only the following data must be present and edited if missing on all amended returns:

- EIN, see IRM 3.11.154.5.2, Entity Perfection - Employer Identification Number (EIN)
- Name Control, see IRM 3.11.154.5.3, Entity Perfection - Name Control
- In care of Name, see IRM 3.11.154.5.4, Entity Perfection - In care of Name
- Signature, see IRM 3.11.154.2.19, Signature
- Tax Period, see IRM 3.11.154.2.20, Tax Period
- IRS Received Date, see IRM 3.11.154.3.3, Received Date
- CCC "G" and if needed CCC "W", CCC "3" or ERS Action Codes that may be used with CCC "G".

(5)   If Box "a" is marked erroneously and needs to be deleted, place an asterisk (*) as closely as possible to the left of the Box.

DRAFT

Form **940 for 2024:** Employer's Annual Federal Unemployment (FUTA) Tax Return

Department of the Treasury — Internal Revenue Service

850113

OMB No. 1545-0029

Employer identification number (EIN) 0 0 – 2 4 0 2 4 3 6

Name (not your trade name) **Brenna Birch**

Trade name (if any)

Address **113 Ash Avenue**

Number   Street   Suite or room number

Riverside   **CA**   **92502**

City   State   ZIP code

Foreign country name   Foreign province/county   Foreign postal code

Type of Return
(Check all that apply.)

[X] **a.** Amended

[ ] **b.** Successor employer

[ ] **c.** No payments to employees in 2024

[ ] **d.** Final: Business closed or stopped paying wages

Go to www.irs.gov/Form940 for instructions and the latest information.

Read the separate instructions before you complete this form. Please type or print within the boxes.

Part 1:   **Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.**

1a If you had to pay state unemployment tax in one state only, enter the state abbreviation .   **1a** **C** **A**

1b If you had to pay state unemployment tax in more than one state, you are a multi-state employer .   **1b** [ ] Check here. Complete Schedule A (Form 940).

2 If you paid wages in a state that is subject to CREDIT REDUCTION .   **2** [X] Check here. Complete Schedule A (Form 940).

Part 2:   **Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.**

3 Total payments to all employees .   **3** **55,024.00**

4 Payments exempt from FUTA tax .   ~~012725~~   **4**

Check all that apply: **4a** [ ] Fringe benefits   **4c** [ ] Retirement/Pension   **4e** [ ] Other

Part 7:   **Sign here. You MUST complete both pages of this form and SIGN it.**

DRAFT

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that no part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments made to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here *Brenna Birch*

Print your name here **Brenna Birch**

Print your title here

Date **01/27/2025**

Best daytime phone **951–555–6546**

complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet .   **10**

11 If credit reduction applies, enter the total from Schedule A (Form 940) .   **11** **63.00**

Part 4:   **Determine your FUTA tax and balance due or overpayment. If any line does NOT apply, leave it blank.**

12 Total FUTA tax after adjustments (lines 8 + 9 + 10 + 11 = line 12) .   **12** **105.00**

13 FUTA tax deposited for the year, including any overpayment applied from a prior year .   **13**

14 Balance due. If line 12 is more than line 13, enter the excess on line 14.
  • If line 14 is more than $500, you must deposit your tax.
  • If line 14 is $500 or less, you may pay with this return. See instructions .   **14** **105.00**

15 Overpayment. If line 13 is more than line 12, enter the excess on line 15 and check a box below   **15**

You **MUST** complete both pages of this form and **SIGN** it.   *G*   Check one: [ ] Apply to next return. [ ] Send a refund.

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.   Cat. No. 11234O   Form **940** (2024)

Figure 3.11.154-5 Amended Return Edited with CCC "G"

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **3.11.154.3.7**
Any line marked with a #
is for **Official Use Only**   33581805

3.11.154.3.8
(11-07-2017)
♦Compliance
Secured/Prepared
Returns♦

(1) Compliance functions (Collections and Examination) secure returns from the taxpayer and also prepare returns if the taxpayer does not provide them.

    a.   Prepared tax returns are notated with "IRC 6020(b)" or **SFR** (Substitute for Return).

    b.   Secured tax returns are notated with **TC 59X** or **ICS** (Integrated Collection System) or notated **Process as Original** with an attached Form 13133, Expedite Processing Cycle. The **Delinquent Return** Box on Form 13133 should be checked.

        Note: If **RD** (Return Delinquency) is notated on the return **and not circled**, remove from the batch and route to Collections.

3.11.154.3.8.1
(01-01-2023)
♦IRC 6020(b) - Prepared
by Collections♦

(1) When the taxpayer does not file a required return, IRC 6020(b) is the authority for the IRS to prepare the return. These returns can be received in various formats.

(2) These returns are identified by the notation: PREPARED AND SIGNED UNDER AUTHORITY OF IRC 6020(b) OF THE INTERNAL REVENUE CODE which is located in the center bottom of Page 1 AND Page 2 of the return.

    a.   Returns must have an IRS Received Date. If missing, follow the normal procedures for editing the IRS Received Date. See IRM 3.11.154.3.3, Received Date.

    b.   Returns must be signed by a Compliance Function representative. If not signed, route to Compliance using Form 4227.

        Note: Starting July 1, 2013, the revenue officer's (RO) electronic or typed signature will be accepted as a valid signature on the return.

    c.   Edit CCC "4". See IRM 3.11.154.2.10.10, CCC "4" - IRC 6020(b) Return.

        Note: CCC "R" should not be used with CCC "4".

    d.   Edit CCC D if the Compliance Function representative notates: DO NOT ASSESS FAILURE TO PAY PENALTY **and** the return due date (without regard to extensions) is July 30, 1996 or prior.

        Note: Do not edit CCC "D" if the return due date is after July 30, 1996 (without regard to extensions) even if the Compliance Function representative notates DO NOT ASSESS FAILURE TO PAY PENALTY.

    e.   **Do not** correspond with the taxpayer for unprocessable conditions. If the return is unprocessable, edit CCC "3" and continue processing.

    f.   Edit CCC "W" if the IRS Received Date is more than two years nine months after the return due date. **Do not** send the return to Statute Control function. See IRM 3.11.154.2.10.7, CCC "W" - Return Cleared by Statute Control.

    g.   **No special calculations or notations are necessary on an IRC 6020(b) return that involves a Credit Reduction State. Do not manually calculate any credit Reduction amounts.**

(3) **At the campus' option, IRC 6020(b) Form 940 returns can be processed through ISRP or SCRIPS.**

3.11.154.3.8   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
Any line marked with a #
is for **Official Use Only**

3.11.154.3.8.2
(01-01-2024)
♦**Collection Secured**♦

(1) These returns are identified by the notations: TC 59X or ICS.

 a. **Do not** edit CCC "G" on these returns.
 b. Use approved Correspondence Action Sheets to correspond for conditions that cannot be processed (e.g., missing signature, missing schedules.)
 c. Edit CCC "W" if the IRS Received Date is more than two years nine months after the Return Due Date. **Do not** send the return to Statute Control function. See IRM 3.11.154.2.10.7, Return Cleared by Statute Control.

 Reminder: If there is an indication that a penalty (or penalties) should be suppressed, edit the correct Computer Condition Code(s). See IRM 3.11.154.2.10, Computer Condition Codes (CCC) for more information.

3.11.154.3.8.3
(01-01-2023)
♦**Examination Prepared**♦

(1) These returns are identified by the notation SFR or SUBSTITUTE FOR RETURN on Page 1.

 a. Returns must have an IRS Received Date. If no IRS Received Date is present, follow the normal procedures for editing the IRS Received Date.
 b. **Do not** correspond with the taxpayer for unprocessable conditions. If the return is completely unprocessable, edit CCC "3" and continue processing.
 c. If the Form 13133 is attached, edit the Computer Condition Code(s) that are checked on the form.

 Note: Do not enter CCC "D" unless the return due date (without regard to extensions) is July 30, 1996 or prior, even if the CCC "D" Box is checked on Form 13133.

 d. Edit CCC "W" if the Received Date is more than two years nine months after the Return Due Date. **Do not** send the return to Statute Control. See IRM 3.11.154.2.10.7, CCC "W" - Return Cleared by Statue Control.

3.11.154.3.8.4
(01-01-2023)
♦**Examination Secured**♦

(1) These returns are identified by the notation "Process as Original" on Page 1 of the return and a Form 13133, Expedite Processing Cycle, attached with the "Delinquent Return" Box checked.

 a. **Do not** edit CCC "G" on these returns.
 b. Use **approved** Correspondence Action Sheet to correspond for conditions that cannot be processed (e.g., missing signatures, missing schedules).
 c. Edit the Computer Condition Code(s) that are checked on Form 13133.
 d. Edit CCC "W" if the IRS Received Date is more than two years and nine months after the Return Due Date. **Do not** send the return to Statute Control. See IRM 3.11.154.2.10.7, CCC "W" - Return Cleared by Statue Control.

 Reminder: If Form 13133 (or something similar) indicates penalties should be suppressed, edit the correct Computer Condition Code(s). See IRM 3.11.154.2.10, Computer Condition Codes (CCC) for more information.

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **3.11.154.3.8.4**
Any line marked with a #
is for **Official Use Only**

3.11.154.3.9
(01-01-2023)
♦**Form 3893 - Re-Entry Document Control**♦

(1) A return posted to the wrong account or module must be reprocessed to post to the proper account or module.

(2) Some re-entry returns may have originally been filed electronically (E-file). These returns may be identified by the presence of Mod E-file printouts in lieu of an actual return, or TRPRT PRINT DO NOT PROCESS printed on the top margin. Do not correspond for missing signatures on these documents.

(3) Each re-entry return must have a Form 3893, Re-Entry Document Control or Form 13596, Reprocessing Returns, attached. This will show that special handling is required by the examiner:

- Form 3893 is used to re-input documents that have not posted to an account or module. See Figure 3.11.154-6, Form 3893, Re-Entry Document Control.
- Form 13596 is used to reprocess documents to the correct account or module that had previously posted to the wrong account or module.

(4) Always leave the Form 3893 or Form 13596 on the front of the return. It must remain as a permanent part of the document.

Exception: If the return is more than 2 years and 9 months from return due date, do not use Form 3893 or Form 13596 reprocessing procedures. Route the return to the Statute Control Unit following statute procedures.

(5) Examine Form 3893 or Form 13596 to determine the action needed to make the return processable:

Caution: If the Received Date is two years and nine months or more after the Return Due date, refer to Statute procedures before reentering or reprocessing the return. See IRM 3.11.154.3.6, Statute Returns.

3.11.154.3.9   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
Any line marked with a #
is for **Official Use Only**

DRAFT

850212

Name *(not your trade name)*   Employer identification number (EIN)

3113 ✗ 00-2191037

DRAFT   0084004991515-5

Form **940 for 2024:** Employer's Annual Federal Unemployment (FUTA) Tax Return   850113

00-9583113   Department of the Treasury — Internal Revenue Service   OMB No. 1545-0029

Employer identification number   ✗ 0 0 — 2 1 9 1 0 3 7   **Type of Return**
(EIN)   (Check all that apply.)

Name *(not your trade name)* **Nathan Alder**   ☐ a. Amended

Re-Entry Document Control	File Type	1. Alpha/Numeric block control no.	2. Document locator number	
	☐ IMF ☒ BMF ☐ Other: ___	915	0084004991515-5	

3. Batch number	4. Document count	5. Credit amount	6. Debit amount

7. Transaction code	8. Transaction date	9. Header MFT code	10. Secondary amount

11. Re-entry source code *(check one)*		12. DLN year digit	13. RPS return; payment has posted to same account with matching DLN
☐ **R – Reprocessable:** Has posted to MF incorrectly; not open on SCCF. Check applicable box in Block 19. ☐ **N – Reinput of Unpostable Document:** Has not posted to MF; open on SCCF. Check applicable box in Block 18. Check applicable box in Block 19. ☐ **4 – SC reinput:** Has not posted to MF; open on SCCF. Check applicable box in Block 18.		5	☐

14. Remarks	15. Process as:	16. Serial number
Please reprocess under EIN 00-9583113	☒ Remittance *(Enter the amount in Item 5 or 6)* ☐ Non-Remittance *(Items 5, 6, and 10 are normally blank)*	15

17. Prepared by	Telephone ext.	Date	18. Reinput document	19. Reprocessable document *(must be non-remittance)*
480	4234	04/17/25	☐ SC reject ☐ Tape deletion ☐ SCCF review ☐ Other:	☒ EIN or SSN corrected ☐ Tax period corrected ☐ Corrected to original return ☐ Other
☐ Accounting ☐ Data Control ☒ Unpostables ☐ Adjustments ☐ Examination ☐ Other: ☐ Collection ☐ Rejects				

Form **3893** (Rev. 1-89)   Catalog Number 22525M   Department of the Treasury—Internal Revenue Service

6	**Subtotal** (line 4 + line 5 = line 6)	6	.

7	**Total taxable FUTA wages** (line 3 – line 6 = line 7). See instructions.	7	.

021225

8	**FUTA tax before adjustments** (line 7 × 0.006 = line 8)	8	.

Part 3:   Determine your adjustments. If any line does NOT apply, leave it blank.

9	**If ALL of the taxable FUTA wages you paid were excluded from state unemployment tax, multiply line 7 by 0.054** (line 7 × 0.054 = line 9). Go to line 12	9	.
10	**If SOME of the taxable FUTA wages you paid were excluded from state unemployment tax, OR you paid ANY state unemployment tax late** (after the due date for filing Form 940), complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet . .	10	.
11	**If credit reduction applies**, enter the total from Schedule A (Form 940)	11	.

Part 4:   Determine your FUTA tax and balance due or overpayment. If any line does NOT apply, leave it blank.

IRS Rev'd 02/12/25

Figure 3.11.154-6 Form 3893, Re-Entry Document Control

3.11.154.3.9.1   (1)   Form 3893, Re-Entry Document Control is used to re-input a return that has
(01-01-2023)   not posted to an account or module.
**Form 3893, Re-Entry
Document Control**

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **3.11.154.3.9.1**
Any line marked with a #
is for **Official Use Only**   33581806

(2)   If more than one return is in the batch and only the top Form 3893 has an entry in Box 1 (Alpha/Numeric block control number), edit all returns using current processing procedures and keep all returns clipped together.

(3)   Circle the CCC "G" if present and asterisk Box **a**, if marked.

(4)   Do not edit CCC "G" on amended returns.

(5)   Do not send Letter 1382C if a request for reasonable cause is attached.

(6)   If the return is not edited according to current processing procedures, circle any Action Codes, Computer Condition Codes and any other edit marks that are no longer applicable. Re-edit according to current processing procedures.

(7)   If the return is edited according to current processing procedures, ensure that the information from Form 3893 is edited to the return.

Form 3893	ACTION TAKEN
Box 14 (Remarks)	Ensure that the information is edited to the return.
Box 15 (Process as),	1. Circle out the green rocker and edit marks that may show a receipt of remittance. 2. Do not change any tax due amounts.

(8)   Examine returns that have any color other than red editing in the tax data section to determine if the corrections are the result of improper perfection or taxpayer error.

IF	THEN
Improper perfection,	Edit the same correction in **red** to the correct area.
Taxpayer error,	Leave the entries as shown on the document.

(9)   An IRS Received Date must be present on all re-input returns. See IRM 3.11.154.3.3, Received Date for receive date editing procedures.

(10)   When more information is still needed to make the return processable, prepare approved Correspondence Action Sheet or Form 4227 for the correct action (e.g., correspondence, research.).

(11)   When perfection is not possible, edit Action Code 640 on the return and attach Form 4227 notating, Perfection Not Possible and leave in batch.

3.11.154.3.9.2
(01-01-2023)
**Form 13596 -
Reprocessing Returns**

(1)   Form 13596, Reprocessing Returns, is used to reprocess a return to the correct account or module that had previously posted to the wrong account or module.

(2)   If the return is not edited according to current processing procedure, re-edit according to current processing instructions.

Note: Do not edit CCC "G" on an amended return.

(3)   Do not send Letter 1382C if a request for reasonable cause is attached.

(4) If the return is not edited according to current processing instructions, circle any Action Codes, Computer Condition Codes, and any other edit marks that are no longer applicable. Re-edit according to current processing instructions.

(5) If the return is edited according to current processing procedures, ensure that the information from Form 13596 is edited on the return.

Form 13596	Action Taken
TIN correction,	Edit correct TIN on return.
Tax period correction,	Edit correct tax period on return.
The return is an early filed return	See IRM 3.11.154.2.21, Early Filed Returns, paragraph (5) and follow these procedures if they apply.
Reasonable cause,	Edit correct computer condition code: 1. Edit CCC "R" if the **Failure to File (FTF)** Box is checked. 2. Edit CCC "D" if the **Failure to Pay (FTP)** Box is checked.

(6) Examine returns that have any color other than **red** edited in the tax data section to determine if the corrections are the result of improper perfection of taxpayer error.

IF	THEN
Improper perfection,	Edit the same correction in **red** to the correct area.
Taxpayer error,	Leave the entries as shown on the document.

(7) A received date must be present on all reprocessed returns. See IRM 3.11.154.3.3, Received Date editing procedures.

(8) Circle out the green rocker and edit marks that may show a receipt of remittance.

(9) When more information is still needed to make the return processable, prepare Correspondence Action Sheet Form 12522(Letter 142C) or Form 4227 for the correct action (e.g., correspondence, research).

3.11.154.3.10
(01-01-2025)
♦**Correspondence Imaging Inventory (CII) Returns**♦

(1) Correspondence Imaging Inventory (CII) is an inventory system for scanning all Account Management (AM) receipts into digital images and working the cases from those images.

Note: Correspondence Imaging System (CIS) changed to Correspondence Imaging Inventory (CII).

(2) "CII" returns show a **CII Image - Do not correspond for signature** stamped below the signature line or a **CII** annotation on the front of the return. The scanned signature is acceptable.

Note: **Enter an asterisk (*) in the left most position of the signature Box.**

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **3.11.154.3.10**
Any line marked with a #
is for **Official Use Only**

(3)   Verify all edit marks and ensure placement is correct on a "CII" return:

IF	THEN
The edit marks are in black,	Underline the edit mark if correct or circle if incorrect.
The edit marks are in red or green,	Circle if incorrect.
The edit marks are missing or incorrect,	Perfect as necessary.

(4)   Follow the correspondence instructions below for "CII" Returns:

IF	AND	THEN
The "CII" return is an early filed return,		See IRM 3.11.154.2.21, Early Filed Returns.
The "CII" return 01-2024 has a Form 13596 attached,	The return is incomplete, (i.e., missing signature, schedules or forms),	a. Do not correspond. b. Remove the return from the batch and route to AM. c. If the return comes back from AM with the information still incomplete, send the return to AM again to secure all the missing information. Indicate "More information needed to process incomplete CII return", or similar language on Form 4227 Intra-SC Reject or Routing Slip (or other proper routing slip).
The **"CII"** return has a Form 13596 attached and the return is incomplete (e.g., missing signature, schedules, or forms),	The return shows correspondence was sent (e.g., CCC "3" is edited on the return),	Do not route the return to AM. Continue processing the return.
The "CII" return does not have a Form 13596 attached,	The return is incomplete (i.e., missing signature, schedules or forms),	Follow normal correspondence procedures.

3.11.154.3.11
(01-01-2024)
Form 1040 Schedule H

(1)   Some taxpayers are filing Form 940 returns with Form 1040 Schedule H attached for prior tax years.

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IF	THEN
Form 1040 Schedule H is attached,	1. Edit Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp) as a non - taxable final return. 2. Asterisk (*) out all money and T- line entries on the return. 3. Detach and route Form 1040 Schedule H to IMF Code and Edit: 4. Attach Form 4227 to Form 1040 Schedule H. 5. Notate: Form 1040 Schedule H attached to Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp). Please process. Do not send back to the taxpayer. 6. Edit CCC "F" on the return.

3.11.154.3.12
(01-01-2017)
Prompt, Quick and Jeopardy Assessments

(1) Returns requiring prompt, quick, jeopardy, or termination assessments will be received in Document Perfection accompanied by one of the following forms:

- Form 2644, Recommendation for Jeopardy/Termination Assessment
- Form 2859, Request for Quick or Prompt Assessment
- Form 895, Notice of Statute Expiration
- Form 3198, Special Handling Notice for Examination Case Processing
- Form 5344, Examination Closing Record
- Form 5403, Appeals Closing Record
- Letter attached or indication on return requesting a prompt determination under IRC 505(b) of the United States Bankruptcy Code.

(2) Route these returns to Accounting.

(3) If the Form 2859 is attached to the return and there is a TC 59X with no received date, edit the received date on the return from the Date of Request Box on the Form 2859.

3.11.154.3.13
(01-01-2023)
Substitute Form Received from Prepares

(1) Some employers are given permission by National Office to file computer-printed Form 940.

(2) Computer-generated/computer-printed forms which do not conform to the official version should be given to your manager so that National Office can be notified. For example:

- Different format
- Cramped space between lines
- Missing line items
- Small size returns, etc.

3.11.154.3.14
(01-01-2024)
♦Frivolous Arguments♦

(1) Businesses use frivolous arguments for expressing dissatisfaction with the substance, form or administration of the tax laws by trying to illegally avoid or reduce tax liabilities. See IRM 25.25.10, Frivolous Return Program. See Exhibit 3.11.154-12, Potential Frivolous Arguments for Examination Review, for a list of recognized frivolous arguments made by businesses.

(2) Review the return to decide whether it appears to be a frivolous return.

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IF	THEN
The return meets any of the conditions shown as a frivolous return. See Exhibit 3.11.154-12, Potential Frivolous Arguments for Examination Review. ***Caution:*** If the return shows Action Code 331 a CCC "X" and has a Form 4227, Intra-SC Reject or Routing Slip, attached with the remarks "Refer to Exam FRP for audit after processing", then continue to next procedure.	Remove the return from the batch and place the return in the locally designated basket for Examination, Frivolous Return Program (FRP) for review.
Examination has selected the return as frivolous, shown by an Action Code 331 and a Form 4227, Intra-SC Reject or Routing Slip, with the remarks "Refer to Exam FRP for audit after processing", but sends the return for processing,	Continue to process the return using the procedures in IRM 3.11.154, Document and Analysis - Unemployment Tax Returns. However, do not circle or void the Action Code or CCC "X" showing a frivolous return.

(3)   Do not consider the following returns as frivolous, unless there is other evidence of a frivolous argument:

- Returns that have only zeros, blanks, or no entries.
- Returns showing "None", "Not Liable", etc.

3.11.154.3.15
(01-01-2020)
♦Criminal Investigation (CI) Referral♦

(1)   Criminal Investigation (CI) investigates potential criminal violations of the Internal Revenue Code (IRC) and related financial crimes. Criminal violations of the IRC include the willful attempts to evade or defeat the income tax. Criminal tax violations also include the willful failure to collect or pay over tax and false claims for refunds based on bogus return information.

(2)   If CI has stamped the return, do not send for further CI action.

#

Refund Claim	Ogden, and Kansas City
	1. Make a copy of the first two pages the return along with any pages of the return. 2. Attach Form 4227, Intra-SC Reject or Routing Slip to the copy. 3. Route the copy to Ogden, Mail Stop 9001, Criminal Investigation (CI). 4. Edit an action trail Copy to CI, or CI Referral, or similar language in the lower left corner going vertically up the side of the return. 5. Edit Action Code 341 or CCC "U" (whichever is applicable) on the return. See IRM 3.11.154.3.1, Refund Returns (45 Day Jeopardy and High Dollar Refunds). 6. Continue processing the return.

#

(4)   Because of the repetitive nature of the Code and Edit (C&E) function, C&E Tax Examining technicians often recognize income tax return data which is outside of the norm for data found on similar returns for each income tax return type. If C&E finds return characteristics not meeting Audit Code or Exam referral criteria it deems suspicious, CI is available to review the referral.

(5)   If a suspicious return is found, do the following:

    a.   Make a copy of the first two pages of the tax return along with any Page of the return that appears suspicious.

    b.   Attach Form 4227, **Intra-SC Reject or Routing Slip** to the copy.

    c.   Route the copy as shown in the table below.

Ogden	Kansas City
Mail Stop 9001, Criminal Investigation (CI)	Mail Stop S2 9000, Criminal Investigation (CI)

    d.   Edit an action trail Copy to CI, or CI Referral, or similar language in the lower left corner going vertically up the side of the return.

    e.   Continue processing the return.

(6)   If the return fits other criteria (e.g., Frivolous Argument), take proper action.

3.11.154.3.16
(01-01-2022)
Aggregate Form 940 Returns

(1)   If the return is an Aggregate Form 940 return containing the notation of **State, City, County** in the entity area of the return, or **Notice 2003-70**, **Fiscal Agent**, **Fiscal Intermediary**, **Home-Care Service Providers**, **Household Employer Agent**, **Chore Workers**, or Certified Professional Employer Organization noted on the return:

    a.   Accept and process submitted Aggregate Form 940 returns containing the following notation in the entity area of the return

(2)   If the Aggregate Form 940 return does not contain any of the notations mentioned in (1) above, correspond and send the return back to the taxpayer to inform them they are not eligible to file an aggregate return.

Note: This is a special procedure for aggregate chore worker FUTA returns only, and is an exception to our standard correspondence procedures.

(3)   If the taxpayer requests abatement for Failing to Make Timely Deposits when the return is submitted **Do not edit CCC "J"**. Send Letter 1382C to inform the taxpayer of the proper procedure to follow to request abatement, if, and when a penalty is assessed. If the taxpayer does not request abatement, but notates that they are filing an aggregate FUTA return, edit CCC "J".

Exception: See IRM 3.11.154.3.9.1, Form 3893, Re-Entry Document Control when **Form 3893 is attached** or IRM 3.11.154.3.9.2, Form 13596 - Reprocessing Returns when **Form 13596 is attached** to determine if a letter should be issued.

3.11.154.3.17
(01-01-2017)
♦**Foreign Currency**♦

(1)   For returns completed in other than U.S. currency, process as filed. However, if corresponding for missing/incomplete item(s), include in the letter to resubmit in U.S. currency.

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3.11.154.4
(01-01-2022)
♦**Protective Claims**♦

(1) Remove returns marked as Protective Claim, Protective Refund Protective Claim for Refund, or similar statement from the batch and route to Accounts Management. Notate Protective Claim in the remarks Box of Form 4227.

Exception: If the return is amended, do not remove from batch. Edit Computer Condition Code "G" and follow normal processing procedures.

3.11.154.5
(07-02-2018)
♦**Entity Perfection - General**♦

(1) The entity area of a tax return identifies the taxpayer on the Business Master File. The entity section of the return contains the following:

• Employer Identification Number
• Name
• Complete Address, e.g., City, State, ZIP Code

3.11.154.5.1
(01-01-2024)
♦**Bankruptcy**♦

(1) If the Form 940, Form 940 (PR) revision 2022 and prior, or Form 940 (sp) indicates bankruptcy (e.g., shows **RECEIVER**, **TRUSTEE**, or **DEBTOR IN POSSESSION** in the entity area or on an attachment, route to Entity Control. Follow local procedures using Form 13934, Entity Document/C&E Merge Transmittal.

3.11.154.5.2
(01-01-2024)
♦**Entity Perfection - Employer Identification Number (EIN)**♦

(1) The EIN is a nine-digit number (XX-XXXXXXX) assigned to identify the taxpayer.

(2) **The EIN is located on the top of the form (Employer Identification Number Box).**

(3) Determine the EIN as follows:

IF	AND	THEN
The EIN is missing,	You can determine the correct EIN from the attachments and/or schedules,	Edit the EIN to the proper location.
The EIN is either a PTIN or ITIN,	Unnumbered	1. Remove return from batch. 2. Route to Entity Control following local procedures for EIN assignment.
The EIN is either a PTIN or ITIN,	Numbered	1. Edit Action Code 320. 2. Leave return in batch.
Multiple EINs are present,	Unnumbered,	1. Remove return from batch. 2. Route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal, for EIN assignment.
Multiple EINs are present,	Numbered	1. Edit Action Code 320. 2. Leave return in batch.

IF	AND	THEN
The EIN contains any of the following conditions and cannot be determined from attachments and/or schedules: • Illegible • Missing • Other than 9 digits • All zeros • All nines	Unnumbered	1. **Asterisk (*) to the left and line through the** illegible EINs, zeros, and/or nines. 2. Research IDRS. 3. If found, edit to the proper location. 4. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
The EIN contains any of the following conditions and cannot be determined from attachments and/or schedules: • Illegible • Missing • Other than 9 digits • All zeros • All nines	Numbered	1. **Asterisk (*) to the left and line through the** illegible EIN, zeros, or all nines. 2. Edit Action Code 320. 3. Attach Form 4227 and leave in the batch.
"Pending", "applied for", etc., is written in the EIN area,	Unnumbered	1. Research IDRS. 2. If found, edit to the proper location. 3. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
"Pending", "applied for", etc., is written in the EIN area,	Numbered	1. Edit Action Code 320. 2. Leave in the batch.

(4) If the **EIN is missing on Page 2** of Form 940 , Form 940 (PR) revision 2022 and prior, Form 940 (sp) , and/or on Form 940 Schedule A, and/or Form 940 Schedule R, edit the last 4 digits of the EIN from Page 1 of Form 940 , Form 940 (PR) revision 2022 and prior or, Form 940 (sp)in the EIN designation area of Page 2. This is not necessary if the taxpayer has submitted a duplex form.

(5) If **EIN on Page 2** of Form 940 , Form 940 (PR) revision 2022 and prior or Form 940 (sp) , and/or on Form 940 Schedule A, and/or Form 940 Schedule R, **does not match the EIN in the entity area of** Form 940 , Form 940 (PR), revision 2022 and prior, or Form 940 (sp) edit on Page 2 of Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp) and/or Form 940 Schedule A, and/or Form 940 Schedule R:

- An asterisk to the left of the EIN.
- The last 4 digits of the EIN from Page 1 to the left of the asterisk.

Note: It is not necessary to edit the EIN on a duplex form submitted by the taxpayer.

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3.11.154.5.3
(07-02-2018)
♦Entity Perfection -
Name Control♦

(1) The name control consists of four characters or less.

    a. Valid characters are alpha, numeric, ampersand (&), hyphen (-), and blank. However, blanks are only valid in the last three positions.

    b. Disregard the word The in the Name Control only when followed by more than one word.

Note: If an individual and a trade name are present and it can be determined that the trade name is for a corporation or partnership, follow the Name Control procedures for corporations or partnerships. If other than a corporation or partnership, follow the Name Control procedures for individuals, regardless of which line the individual's owner's name is listed.

(2) See Job Aid Document 7071A to properly determine the Name Control.

(3) **It is no longer necessary to edit a name control on returns that will be processed through SCRIPS. Do not take any action if the name control is already edited.**

(4) **If the taxpayer indicates on the return or on an attachment of a** Name Change, route the return to Entity Control. Follow local procedures using Form 13934, Entity Document/C&E Merge Transmittal.

(5) Edit the Name Control on the returns **processed through ISRP** as follows:

IF	AND	THEN
Able to determine the Name Control,		Underline the Name Control.
Unable to determine the Name Control,	Unnumbered,	1. Research IDRS. 2. If found, edit to the proper location. 3. If not found, route to Entity Control following local procedures using Form 13934, Entity Document/C&E Merge Transmittal.
Unable to determine the Name Control,	Numbered,	1. Edit Action Code 352 (Name Research). 2. Leave the return in the batch.

3.11.154.5.4
(01-04-2024)
Entity Perfection - In Care of Name

(1) An in care of name can be identified by the words in care of or the symbols c/o or percent symbol (%).

(2) Ensure that the in care of name is located above the street address.

Note: Asterisk (*) to the left and line through the in care of symbol c/o or percent symbol (%), if it is present with an address. Do **not** use the ampersand (&) or the percent symbol (%) when editing address information.

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IF	THEN
The in care of name is located on the street address line preceding the street address,	No editing is required.
The in care of name is located below the street address,	1. Edit an asterisk (*) and line through the in care of name. 2. Edit the in care of name above the street address beginning with the percent or c/o in the first position. 3. Continue processing the return.
The in care of name is shown on an attachment,	1. Edit the **in care of name** above the street address beginning with the percent or c/o in the first position. 2. Continue editing the return.
The street address for the in care of name is different from the street address of the employer,	1. As necessary, asterisk (*) and line through the **in care of** street and edit below the **in care of name**, or edit the **in care of** street address below the **in care of name**, if located on an attachment. 2. Edit an asterisk (*) to the left and line through the business address. 3. Notate "TC 014" in the upper left margin. 4. Pull the return for research/input of TC 014 by the Code and Edit Research Clerk. 5. Continue editing the return. ***Note:*** A TC 014 must be input to retain the street address as a location address and the P.O. Box as the mailing address.

(3) If the taxpayer crosses out the original in care of name, or adds a new in care of name, they are stating that the in care of name is changed.

IF	THEN
An in care of name is changed but there is no indication of an address change,	1. Edit the **in care of name**. 2. Continue editing the return.
An in care of name is present and there is an indication of an address change,	1. Edit the in care of name. 2. Correct the address. 3. Continue to process the return.

3.11.154.5.5
(01-01-2025)
♦**Entity Perfection -**
Domestic Addresses♦

(1) Perfection of the address is necessary when the mailing address (Street or P.O. Box) is not easily identified. For a list of correct street abbreviations, see Document 7475.

Exception: Do not perfect the address on amended returns (CCC "G").

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(2)   A business may have two addresses. One is the mailing address and the other is the location address or physical location of the business.

Note: BMF ISRP is not programmed for a mailing address and a location address. A TC 014 must be input into IDRS to capture both a location address and mailing address.

(3)   **If the return requires that the city, State, or ZIP Code be changed**, edit an asterisk (*) to the left, line through the incorrect entity, and enter the correction in the entity where space allows.

(4)   The procedures for perfection of addresses are as follows:

IF	AND	THEN
The address is blank or incomplete on the return or attachment,		1. Research IDRS. 2. If found, edit to the proper location. 3. If not found, leave blank to allow the return to fall out to ERS.
The address is blank and it can be found on an attachment or envelope		Edit to the address line
The address contains information other than a street address or P.O. Box,		No perfection is necessary. ISRP or SCRIPS will enter the complete address.
There is an indication on an attachment that the address is changed,		Asterisk (*) and line through the old address. Edit the new address in the Entity section of the return.
Form 8822, Change of Address, or Form 8822-B, Change of Address for Business is attached,	All the following applies: • Mailing address information is the same as the mailing address information on Form 940 , • No location address is listed on Form 8822 or Form 8822-B, Line 7, • No entry on Form 8822-B, Lines 8 or 9,	Take no action.
Form 8822, Change of Address, or Form 8822-B, Change of Address for Business is attached,	Any of the following applies: • Mailing address information is different than the mailing address information on Form 940, • Location address is listed on Form 8822 or Form 8822-B, Line 7, • An entry is listed on Form 8822-B, Lines 8 or 9,	Detach Form 8822 or Form 8822-B and route to Entity following local procedures using Form 13934, Entry Document/C&E Merge Transmittal.

IF	AND	THEN
Both a P.O. Box and a street address are shown,		1. Edit an asterisk (*) to the left and line through the street address. 2. Notate TC 014 in the upper left margin. 3. Pull the return for research/input of TC 014 by the Code and Edit Research Clerk. **Note:** A TC 014 must be input to retain the street address as a location address and the P.O. Box as the mailing address.
Two street addresses are shown,		1. Edit an asterisk (*) to the left and line through the second street address. 2. Notate TC 014 in the upper left margin. 3. Pull the return for research/input of TC 014 by the Code and Edit Research Clerk. 4. See Figure 3.11.154-7, **Two Street Addresses Route For TC 014.** **Note:** A TC 014 must be input to retain the street address as a location address and the P.O. Box as the mailing address.
One street address is shown,	Shows a change of the address to a P.O. Box,	1. Edit an asterisk (*) to the left of the address, and if the taxpayer has not already done so, line through the street address. 2. Notate TC 014 in the upper left margin. 3. Pull the return for research/input of TC 014 by the Code and Edit Research Clerk. 4. See Figure 3.11.154-8, **One Street Address Change to P.O. Box Route For TC014**. **Note:** A TC 014 must be input to retain the street address as a location address and the P.O. Box as the mailing address.
The City and State are not shown on the return but are shown on an attachment,		Edit the City and State in the Entity section of the return.

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IF	AND	THEN
[For ISRP returns only] The ZIP Code is missing or illegible,	Is not available from the return or attachments,	See Exhibit 3.11.154-8, Entity State Codes and ZIP Codes.
Only the first three digits of the ZIP Code can be determined,		Edit 01 for the fourth and fifth digits.

Figure 3.11.154-7 Two Street Addresses Route For TC014

Figure 3.11.154-8 One Street Address Change to P.O. Box Route For TC014

> *Note:* **Always** asterisk (*) to the left and line through the care of symbol (c/o or %) if it is present with an address. **Do not** use the ampersand (&) and the percent symbol (%) when editing address information.

(5) The U.S. Postal Service established address requirements for Army Post Office (APO), Fleet Post Office (FPO) and Diplomatic Post Office(DPO) addresses. If the old address appears, convert to the State code abbreviation based on the ZIP Code (e.g., APO New York, NY 091XX would be converted to APO AE 091XX). APO/DPO/FPO addresses are considered domestic addresses. Refer to the Conversion Chart below:

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ZIP Code	State Code
340	AA
090-098	AE
962-966	AP

3.11.154.5.6
(01-01-2024)
♦Entity Perfection -
Foreign Addresses♦

(1)   A foreign (international) address is any address that is not one of the 50 U.S. states, or the District of Columbia.

(2)   Consider returns with Army Post Office (APO)/Diplomatic Post Office (DPO) or Fleet Post Office (FPO) addresses as domestic addresses. See IRM 3.11.154.5.5, Entity perfection - Domestic Addresses.

Note: All returns with a Foreign Address should be processed through ISRP at the OSPC. If the return is batched for SCRIPS processing, after editing, pull the return from the batch and request the return be batched for ISRP processing. If numbered take the necessary steps to cancel the DLN.

(3)   Route returns with a foreign address to Ogden Submission Processing Center (OSPC) for processing. Prepare Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, to inform the taxpayer the IRS sent the return to OSPC.

(4)   Consider returns with addresses in the following U.S. Posessions/Territories as foreign for processing purposes. Edit the same way as domestic addresses.

   a.   Edit a two-character alpha code for the possession/Territory name.

U.S. POSSESSION	ABBREVIATION
American Samoa	AS
Federated States of Micronesia	FM
Guam	GU
Marshall Islands	MH
Northern Mariana Islands	MP
Palau	PW
Puerto Rico	PR
Virgin Islands (U.S.)	VI

   b.   A ZIP Code **must** be present for U.S. Possessions/Territories. Edit the correct ZIP Code if one is not provided. See Exhibit 3.11.154-9, U.S. Possession ZIP Codes.

(5)   All other foreign addresses are edited the same as a domestic address with the following exceptions:

   a.   The foreign country must be the last entry in the address.
   b.   Edit an asterisk (*) and line through the foreign country. Then, edit the country code preceded by a / and followed by /$, e.g., **/GM/$** is edited for

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Germany. See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.

c.   A unique country code will be edited for returns filed with an address in Canada. See IRM 3.11.154.5.7, Country Code - Canada.

> **Note:** Code & Edit BMF Foreign Address Job Aid (Number 2324-002) provides examples for editing foreign addresses.

d.   Check if the address contains a province, State, country, or territory for the following: Australia, Brazil, Canada, Cuba, Italy, Mexico, or The Netherlands.

> **Note:** There may be other countries with provinces, foreign states, and territories not listed above, see Coding and Editing BMF Tax Returns, Foreign Addresses Job Aid (Number 2324-002) for more information.

IF	THEN
A province, foreign State, or territory name is present,	Edit the correct province, foreign State, or territory abbreviation. See Exhibit 3.11.154-10, Province, Foreign State, and Territory Abbreviations.
A province, foreign State or territory is not present,	Continue editing the return.
Province, foreign State or territory is shown in abbreviated format,	Continue editing the return.

e.   A ZIP Code is not required on a foreign address. Foreign addresses use a postal code that is entered before the city or foreign country and is part of the address.

3.11.154.5.7
(01-01-2020)
Country Code - Canada

(1)   To assist Compliance with workload assignment, returns filed with an address in Canada will be edited using a unique country code based on the province/territory.

IF	THEN
The foreign address contains a Canadian Province/Territory name, or abbreviation shown in the table below,	1. See table below to ensure the correct Canadian Province/Territory is present or edited on the return. If incorrect edit an asterisk (*) to the left and line through the country name. 2. Edit the correct country code based on the province/territory preceded by a / and followed by a /$ as the last entry in the address.
The foreign address does not contain a Canadian Province/Territory name or abbreviation shown in the table below,	1. Edit an asterisk (*) and line through the country name. 2. Edit the country code /CA/$ as the last entry in the address.

Canadian Province/ Territory	Province/Territory Abbreviation	Postal Code beginning	Country Code
Alberta	AB	T	XA
British Columbia	BC	V	XB
Manitoba	MB	R	XM
New Brunswick	NB	E	XN
Newfoundland and Labrador	NL	A	XL
Northwest Territories	NT	X	XT
Nova Scotia	NS	B	XS
Nunavut	NU	X	XV
Ontario	ON	K, L, M, N, or P	XO
Prince Edward Island	PE	C	XP
Quebec	QC	G, H, or I	XQ
Saskatchewan	SK	S	XW
Yukon	YT	Y	XY

3.11.154.5.8
(01-01-2023)
♦Entity State Codes♦

(1) **An Entity State Code is required on ALL Form 940**.

Exception: G coded returns (Amended) or, an entity containing an International address other than Puerto Rico or one of the U.S. Possessions or Territories see IRM 3.11.154.5.6, Entity perfection - Foreign Addresses.

(2) **Perfect the Entity State code as follows:**

IF	THEN
The State code is present and in a 2-digit format (e.g., MT for Montana),	No action is necessary.
The State is spelled out in full,	No action is necessary.

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IF	THEN
No State or State code is present in the entity area of the return,	1. Search return and attachments for State code. 2. If found, edit to the entity section. 3. If not found, research IDRS. *Note:* **Revisions 2006 and subsequent**: The State code on Form 940 or Form 940 (PR), Box 1a can be used ONLY if one State is present. **Revision 2005 and prior:** The State code shown on Form 940, Part II, Line 3a can be used if ONLY one State is present.
A return is filed with a foreign address,	1. **KCSPC ONLY --**Route to OSPC. See IRM 3.11.154.5.6, Entity perfection - Foreign Addresses. 2. **OSPC ONLY -**Edit country code. See Document 7475, **State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Counties**. *Note:* Code & Edit BMF Foreign Address Job Aid (Number 2324-002) provides examples for editing foreign addresses.

3.11.154.6
(01-01-2024)
Form 940, Form 940 (PR) and 940 (sp) - Code and Edit Return Procedures

(1)   For editing Form 940 , Form 940 (PR) revision 2022 and prior, and Form 940 (sp) follow procedures below:

    a.   See IRM 3.11.154.2.1, Coding and Editing Returns.
    b.   See IRM 3.11.154.2.17, Third-Party Designee.
    c.   See IRM 3.11.154.2.19, Signature.
    d.   See IRM 3.11.154.2.20, Tax Period.
    e.   See IRM 3.11.154.3.3, Received Date.
    f.   See IRM 3.11.154.3.5, Indian Tribal Government Procedures.
    g.   See IRM 3.11.154.3.6, Statute Returns.
    h.   See IRM 3.11.154.5, Entity Perfection - General.
    i.   If the return is a **2005 and prior revision** see IRM 3.11.154.7, Form 940-Revision 2005 and Prior and follow all instructions in this IRM section that apply.

3.11.154.6.1
(01-01-2025)
Type of Return Boxes

(1)   The Type of Return Box can be found in the upper right-hand corner, to the right of the entity area on Form 940 (Rev. 2006 and subsequent):

•   See Exhibit 3.11.154-1, Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024).
•   See Exhibit 3.11.154-2, Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022).

• See Exhibit 3.11.154-3, Form 940 (sp) (Revision 2024) and 940 Schedule A (Revision 2024).

IF	THEN
Box a is checked	The taxpayer is showing this is an amended return. See IRM 3.11.154.3.7, Amended Returns to determine if a CCC "G" should be edited.
Box b is checked,	The taxpayer is showing they are entitled to special credits as a successor employer and have based their calculations on that fact. Edit CCC "5".
Box c is checked,	See IRM 3.11.154.2.10.13, CCC "9" - No Payments to Employees - Revisions Year 2006 and Subsequent to determine if a CCC "9" should be edited.
Box d is checked,	See IRM 3.11.154.2.10.2, CCC "F" - Final Return to determine if CCC "F" should be edited.
The taxpayer does not check a Box, but indicates on the return or on an attachment that any of the four boxes applies to the return,	1. Enter the correct Computer Condition Code. 2. Check the Box, as applicable.
A Box is marked erroneously,	Place an asterisk (*) as closely as possible to the left of the Box. An example of ***Example:*** A Box that would be considered to be marked erroneously would be a return that the taxpayer has marked Amended. However, Code and Edit receives the return with a TC 599 notation on the return. Since returns notated TC 599 cannot be G coded, the check Box must be deleted.

3.11.154.6.2
(01-01-2025)
Part 1, Line 1 through Line 2 - Tell Us About Your Return

(1) Form 940 . Form 940 (PR) revision 2022 and prior, and Form 940 (sp), Part 1 allows the employer to show whether:

• They are paying wages to employees in only one State, or
• They are paying wages to employees in more than one State, and
• The State, or any of the multiple states, is identified as a Credit Reduction State for the tax period (year) of the return. See IRM 3.11.154.6.2.1, Box 1a (Single State Filer), Box 1b (Multi State Filer), Box 2 (Subject to Credit Reduction).
• See Exhibit 3.11.154-1, Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024).
• See Exhibit 3.11.154-2, Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022).
• See Exhibit 3.11.154-3 , Form 940 (sp) (Revision 2024) and Form 940 Schedule A (sp) (Revision 2024)

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3.11.154.6.2.1
(01-01-2025)
Box 1a (Single State Filer), Box 1b (Multi-State Filer), and Box 2 (Subject to Credit Reduction)

(1) Employers who paid Federal taxable wages in only one State are considered to be Single State filers and should enter in Box 1a the abbreviation of the State in which the Federal unemployment taxable wages were paid. See Exhibit 3.11.154-7, State Abbreviations.

Note: G coded returns are not edited.

(2) Employers who paid Federal taxable wages in more than one State or territory are considered to be Multi-State filers and should mark Box 1b. Form 940, Schedule A indicates employee wages were paid in one of the 50 U.S. States, District of Columbia, Puerto Rico, or U.S. Virgin Islands. The employee wages must be reported on Schedule A and filed with Form 940. For an explanation of Form 940 Schedule A, see IRM 3.11.154.6.9, Form 940 Schedule A, Form 940 Schedule A (PR) and Form 940 Schedule A (sp), Multi-State Employer and Credit Reduction Information.

(3) All employers who have paid employee wages in a credit Reduction State for the tax year should check Box 2 and file a completed Form 940 Schedule A or Form 940 Schedule A (PR) with their return. See IRM 3.11.154.6.9, Form 940 Schedule A, Form 940 Schedule A (PR) and Form 940 Schedule A (sp), Multi-State Employer and Credit Reduction Information.

Exception: Credit Reduction is not applicable to IRC 6020(b) returns, Early-Filed returns, non-taxable returns, or on returns claiming a Line 9 amount.

Note: For tax years 2004 - 2024, there were Credit Reduction states. See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).

(4) Examine the return and attachments to determine the proper boxes that would be marked:

     a. If **return is taxable** and Box 1a contains an entry, or an attachment or Form 940 Schedule A indicates the taxpayer is a single State filer,

IF	THEN
The entry is not a valid State code or the attachment or the Form 940 Schedule A indicates the entry is not a valid State code, See Exhibit 3.11.154-8, Entity State Codes and ZIP Codes.	1. Edit an asterisk (*) to the left of Box 1a, and to the left of the asterisk (*), edit the valid State code from the entity. *Exception:* If the State code in the entity of the return is AA, AE, AP, AS, FM, GU, MH, MP, or PW, or a foreign country, do not edit the State code.

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IF	THEN
The entry is a valid State code or the attachment indicates a valid State code, See Exhibit 3.11.154-8, Entity State Codes and ZIP Codes.	Determine if the State code is a valid Credit Reduction State. See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004) for a list of valid Credit Reduction states. 1. If the State code is not a valid Credit Reduction State: • Edit an asterisk (*) to left of Box 1b if marked. • Edit an asterisk (*) to the left of Box 2 if marked. • Slash (/) across the attachment or the Form 940 Schedule A. 2. If the State code is a valid Credit Reduction State: • Edit an asterisk (*) to left of Box 1b if marked. • Edit a mark in Box 2 If not marked.
If Box 1a. is a Credit Reduction State and Box 1b. is blank,	1. If Form 940 Schedule A or an attachment lists a different single State Code: • Delete the State Code on Form 940 Schedule A • Check the State Code from Box 1a on Form 940. • Edit a mark in Box 2 if not marked.
If Box 1a. is not a Credit Reduction State and Box 1b. is blank,	If Form 940 Schedule A or an attachment lists a different single State code, delete the Form 940 Schedule A.
If there is no entry in Box 1a or Box 1b,	1. Examine the return, Form 940 Schedule A, and all attachments. 2. If no states are listed: • Consider the taxpayer to be a single State filer. Edit the valid State code from the entity section of the return to Box 1a. • Determine if the State in the entity is a Credit Reduction State. • If the State is not a Credit Reduction State for the return tax year, no action is needed. • Schedule A is attached with no State codes or the State listed is not a Credit Reduction State, delete the Schedule A. 3. If multiple Credit Reduction states are listed on an attachment see IRM 3.11.154.6.9.1, Preparing a Dummy Form 940 Schedule A (Revision 2024).

b. If **return is non-taxable** IRM 3.11.154.3.4, and there is an indication the taxpayer is a single State filer, edit as follows:

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IF	THEN

If Box 1a contains a valid Credit Reduction (CR) State Code, See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004),	1. If the State is a CR State:
	• Edit an asterisk (*) to the left of the entry in Box 1a, and ZZ to the left of the asterisk.
	    Note: State Code ZZ is only applicable in credit Reduction years, e.g., such as, Tax Year 2004 - 2024.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.
	
	2. If the State is not a CR State:
	a. If the State is not a valid State code,
	    • Edit an asterisk (*) to left of Box 1b if marked.
	    • Edit an asterisk (*) to the left of Box 2 if marked.

If Box 1a is blank,	Using the entity State Code determine if the entity State Code is a valid Credit Reduction (CR) State.
	See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).
	1. If the entity State Code is a CR State:
	• Edit ZZ in Box 1a.
	    Note: State Code ZZ is only applicable in credit Reduction years, e.g., such as, Tax Year 2004 - 2024.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.
	
	2. If the entity State Code is not a CR State:
	• Edit the correct entity State Code in Box 1a.
	    Exception: If the entity State Code is AA, AE, AP, AS, FM, GU, MH, MP, or PW, for a foreign country, edit ZZ in Box 1a.
	• Edit an asterisk (*) to the left of Box 1b if marked.
	• Edit an asterisk (*) to the left of Box 2 if marked.

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IF	THEN

If the State Code in Box 1a is not a valid State Code, See Exhibit 3.11.154-7, State Abbreviations,	Using the entity State Code determine if the entity State Code is a valid Credit Reduction (CR) State. See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).
	 1. If the entity State Code is a CR State:
	 • Edit an asterisk (*) to the left of Box 1a.
	 • Edit the correct entity State Code to the left of the asterisk.
	     Note: If the entity State Code is AA, AE, AP, AS, FM, GU, MH, MP, or PW, for a foreign country, edit ZZ in Box 1a.
	 • Edit an asterisk (*) to the left of Box 1b if marked.
	 • Edit an asterisk (*) to the left of Box 2 if marked.
	
	 2. If the entity State Code is not a CR State:
	 • Edit an asterisk (*) to the left of Box 1a.
	 • Edit the correct entity State Code to the left of the asterisk.
	     Note: If the entity State Code is AA, AE, AP, AS, FM, GU, MH, MP, or PW, for a foreign country, edit ZZ in Box 1a.
	 • Edit an asterisk (*) to the left of Box 1b if marked.
	 • Edit an asterisk (*) to the left of Box 2 if marked.

    c. Box 1b is marked, or an attachment or Form 940 Schedule A indicates the taxpayer is a Multi-State filer,

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IF	THEN
Box 1a does or does not have entry and Box 1b is marked	1. If Multi-states are present on Form 940 Schedule A: • Edit an asterisk (*) to the left of Box 1a entry. • Mark Box 1b if not marked. • Mark Box 2 if any of the states shown on Schedule A are Credit Reduction states. • Check the correct State Box for each State on Schedule A including the State originally shown in Box 1a. 2. If Multi-states are listed on an attachment and Form 940 Schedule A is not attached: • Prepare a dummy Form 940 Schedule A. ***Note:*** See IRM 3.11.154.6.4.3(1), Line 11 - Credit Reduction for a list of filing conditions which waive the Form 940 Schedule A requirement. • Check the correct State Box on Schedule A for each State including the State originally shown in Box 1a. • Edit an asterisk (*) to the left of Box 1a entry if not present. • Mark Box 1b, if not marked. • Mark Box 2 if any of the states shown on Schedule A are Credit Reduction states.
Box 1a does not have entry and Box 1b is not marked,	1. If Multi-states are shown on Form 940 Schedule A: • Mark Box 1b if not marked. • Mark Box 2 if any of the states shown on Schedule A are Credit Reduction states. 2. If Multi-states are listed on an attachment and Form 940 Schedule A is not attached: • Prepare a dummy Form 940 Schedule A. ***Note:*** See IRM 3.11.154.6.4.3(1), Line 11 - Credit Reduction for a list of filing conditions which waive the Form 940 Schedule A requirement. • Check the correct State Box on Schedule A for each State including the State originally shown in Box 1a. • Mark Box 1b, if not marked. • Mark Box 2 if any of the states shown on Schedule A are Credit Reduction states.

    d.   If Box 1b, is marked and Form 940 Schedule A is not attached and there is no attachment identifying the Multi-states is attached to the return, then take no action and continue processing the return.

3.11.154.6.3
(01-01-2024)
**Part 2, Line 3 through
Line 8 - Determine
Federal Unemployment
Tax (FUTA) Before
Adjustments**

(1)   Part 2 on Form 940 , Form 940 (PR), Revision 2022 and prior, and Form 940 (sp) , is comprised of lines 3 through 8.

3.11.154.6.3.1
(01-01-2017)
**Line 3 - Total Payments
to All Employees**

(1)   The taxpayer will enter the amount of total payments made to all employees on Line 3, Total Payments to Employees.

IF	THEN
The taxpayer enters the same amount on Line 3 and Line 5,	Edit an asterisk (*) on Line 5 to make the return fall out to Error Resolution.

3.11.154.6.3.2
(01-01-2020)
**Line 4 - Payments
Exempt from FUTA Tax**

(1)   The taxpayer will enter on Line 4 the total of all exempt payments, if any.

IF	THEN
Lines 4, 5, and 6 are identical significant entries other than zero, blank, etc.,	SSPND 211 and correspond for correct entries using open paragraph J on Letter 142C.
Lines 4, 5, and 6 all have zero, blank, etc., entries, but there are entries with significant amounts other than zero, blank, etc., on Line 7 (or 7a) and/or Line 8,	Accept Lines 4, 5, and 6 being zero, blank, etc. Do not correspond to verify or secure the correct entries.

3.11.154.6.3.3
(01-01-2017)
**Line 5 - Total Payments
to Employees in Excess
of $7,000**

(1)   The taxpayer will enter the amount of total payments made to employees in excess of $7,000.

IF	THEN
The taxpayer enters the same amount on Line 3 and Line 5,	Edit an asterisk (*) on Line 5 to make the return fall out to Error Resolution.

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3.11.154.6.3.4
(01-01-2023)
Line 6 - Subtotal

(1) Line 6 is the total sum of Lines 4 and 5 amounts.

IF	THEN
There is no entry on Line 4 or Line 5, but there is an entry on Line 6,	Accept the taxpayer's entry on Line 6. Do not correspond.
If Line 6 is greater than Line 3,	Correspond with the taxpayer using Form 12522 (Letter 142C) requesting the correct amounts for line 3, line 4, line 5, and line 6. *Note:* The total of exempt and excess payments (Line 4 and Line 5) cannot exceed total payments to employees, (Line 3).

3.11.154.6.3.5
(01-01-2023)
Line 7 (Line 7a Revision 2011) - Total Taxable FUTA Wages

(1) **2012 and later or 2010 and prior** - If amount is or is not present on line 7 do the following:

IF	THEN
If there is an entry on Line 3 (Total Payments) and Lines 4 through 6 show an entry, such as, a 0 (zero), dash- or None written on the line,	Edit the amount from Line 3 to Line 7.
Line 3 and Line 7 have no entries (blank),	• Review the return and attachments for an indication by the taxpayer; e.g., Final, Out of Business, No Activity. • If there is no indication, continue to process the return. • If the taxpayer filed any Tax Year other than a 2011 on a Revision 2011 Form 940, place an asterisk (*) to the left of any entry on Line(s) 7b or 7d. • If it appears the entry (or entries) are included in the Tax Before Adjustments, line 8, continue to process the return.
Line 7 is blank or zero because Line 6 equals Line 3,	• The return may be Non-taxable. See IRM 3.11.154.3.4, Non-Taxable Returns. • If the taxpayer filed any Tax Year other than 2011 on a Revision 2011 Form 940, place an asterisk (*) to the left of any entry on Line(s) 7b or 7d. • If it appears the entry (or entries) are included in the Tax Before Adjustments, line 8, continue to process the return.

(2) **2011 Only** - If an amount is not present on Line 7a do the following:

IF	THEN
If there is an entry on Line 3 (Total Payments) and Lines 4 through 6 show an entry, such as, a 0 (zero), dash- or None written on the line,	Edit the amount from Line 3 to Line 7a
Line 3 and Line 7a, have no entries (blank),	• Review the return and attachments for an indication by the taxpayer; e.g., Final, Out of Business, No Activity, etc. • If there is no indication, continue to process the return. • If the taxpayer filed any Tax Year other than a 2011 on a Revision 2011 Form 940, place an asterisk (*) to the left of any entry on Line(s) 7b or 7d and follow the instructions for line 7 above.
Line 7a, is blank or zero because Line 6 equals Line 3,	• The return may be Non-taxable. See IRM 3.11.154.3.4, Non-Taxable Returns. • If the taxpayer filed any Tax Year other than 2011 on a Revision 2011 Form 940, place an asterisk (*) to the left of any entry on Line(s) 7b or 7d and follow the instructions for Line 7 above. • If it appears the entry (or entries) are included in the Tax Before Adjustments, line 8, continue to process the return.

3.11.154.6.3.6
(01-01-2025)
Line 7b (Revision 2011) - FUTA Wages Paid Before 7/1/2011

(1)   Line 7b, is FUTA Wages paid before 7/01/2011 from line 7a, Total Taxable FUTA Wages paid:

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IF	AND	THEN
Line 7b is not on the form revision,	The return is a revision 2012 and subsequent 2010 and prior,	1. **Tax Year 2012 - 2024, or 2010 and prior,** take no action and continue to process the return as normal. 2. **Tax Year 2011** take no action and continue to process the return as normal.
Line 7b does not have an entry or the entry is ″None″, zero (0), etc.,	Revision 2011,	1. **Tax Year 2012 - 2024, or 2010 and prior**, take no action and continue to process the return as normal. 2. **Tax Year 2011:** • Review the return and attachments for the line 7b amount. • If an amount for line 7b cannot be determined, take no action and continue to process the return as normal. • If an amount for line 7b can be determined, edit the amount to the left of line 7b. ***Note:*** Do not calculate line 7c, or the tax on line 8.
Line 7b contains a significant entry,	Revision 2011 - for Tax Year 2012 - 2024 or 2010 and prior,	Asterisk (*) the entry on lines 7b and 7d.
Line 7b contains a significant entry,	Revision 2011 - for Tax Year 2011,	No action is required, Continue to edit the remainder of the return.

3.11.154.6.3.7
(01-01-2025)
Line 7d (Revision 2011) - FUTA Wages Paid After 6/30/2011

(1)   Line 7d, is FUTA Wages paid after 6/30/2011 from line 7a, Total Taxable FUTA Wages paid:

IF	AND	THEN
Line 7d is not on the form revision,	Revision 2012 - 2024, or 2010 and prior,	1. Tax Year **2012 - 2024, or 2010 and prior**, take no action and continue to process the return as normal. 2. Tax Year **2011**, take no action and continue to process the return as normal.

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IF	AND	THEN
Line 7d does not have an entry or the entry is ″None″, zero (0), etc.,	Revision 2011,	1. Tax Year **2012 - 2024, or 2010 and prior**, take no action and continue to process the return as normal. 2. Tax Year **2011**: • Review the return and attachments for the line 7d amount. • If an amount for line 7d cannot be determined, take no action and continue to process the return as normal. • If an amount for line 7d can be determined, edit the entry to the left of line 7d. ***Note:*** Do not calculate line 7e, or the tax on line 8.
Line 7d contains a significant entry,	Revision 2011 for Tax Year 2012 - 2024, or 2010 and prior,	1. Asterisk (*) the entry on lines 7d and 7b. 2. If there is no entry in Box 7e, take no action.
Line 7d contains a significant entry,	Revision 2011 for Tax Year 2011,	No action is required, continue to edit the remainder of the return.

3.11.154.6.3.8
(01-01-2017)
Line 8 - FUTA Tax Before Adjustments

(1) If an amount is or is not present on line 8, do the following:

IF	THEN
Line 8 is blank, 0 or none,	Do not compute or edit an amount on line 8.
Line 8 is illegible,	Asterisk the illegible entry.
The entry is a negative number,	Asterisk the negative entry.

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3.11.154.6.4
(01-01-2017)
**Part 3, Line 9 through
Line 11 - Determine Your
Adjustments**

(1)   Part 3 contains the taxpayer's amounts for Adjustments and Credit Reduction lines 9, 10, and 11.

3.11.154.6.4.1
(01-01-2017)
**Line 9 - All Wages Paid
Excluded from State
Unemployment Tax**

(1)   Line 9 is taxpayers entry for All Taxable FUTA Wages paid excluded from State unemployment tax:

IF	THEN
There are significant entries on both Line 9 and Line 10	There cannot be an entry also on Line 10. Enter an asterisk (*) as closely as possible to the left of the entry on Line 10.
There are significant entries on both Line 9 and Line 11	There cannot be an entry on Lines 9 and 11, even if credit Reduction applies: • Asterisk (*) the entry on line 11. • Do not check Box 2 if blank. • Asterisk (*) Box 2 if marked. • Do not dummy a Form 940 Schedule A if not present. • If Form 940 Schedule A is present and contains only one credit Reduction State, edit a slash through the Form 940 Schedule A.
The line 9 entry is equal to: a. The total of some or all the previous lines above Line 9, or b. The taxpayer's Line 12 entry,	Asterisk (*) out the line 9 entry.

3.11.154.6.4.2
(01-01-2017)
**Line 10 - Some FUTA
Wages Paid Excluded
from State
Unemployment Tax or
State Unemployment Tax
Was Paid Late**

(1)   Line 10 is taxpayer's entry for Some Taxable FUTA Wages paid excluded from State unemployment tax or State unemployment tax paid late:

IF	THEN
Both Line 9 and Line 10 have entries,	There cannot be an entry on line 10. Enter an asterisk (*) as closely as possible to the left of the entry on line 10.

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3.11.154.6.4.3
(01-18-2024)
Line 11 - Credit Reduction

(1)   If FUTA wages are paid to an employee, or to employees, in at least one State subject to Credit Reduction, or in multiple states, the employer must file a Form 940 Schedule A (Revision 2011 or subsequent) with their return.

Exception: Credit Reduction should not be computed for non-taxable returns, (i.e., no taxable wages on line 7), early filed returns, IRC 6020(b) returns, or for return claiming an amount on line 9. For those returns Line 11 should not contain an amount. If an amount is entered on Line 11, edit an asterisk (*) to the left of the entry of Line 11.

(2)   If the taxpayer does not attach a Form 940 Schedule A, (when required), or the Form 940 Schedule A filed with the return is blank, or missing, Code and Edit should review the return and any attachments for an indication of the states in which employees were paid, and for the wage amount(s) paid in each State.

If	And	Then
Both the State code and the associated FUTA Taxable Wages amount paid in each State to employees are identified by the taxpayer,	None of the following conditions exist: • Has a valid entry on line 9, see IRM 3.11.154.6.4.1, Line 9 - All Wages Paid Excluded From State Unemployment Tax. • Is a non-taxable return, see IRM 3.11.154.3.4, Non - Taxable Returns. • Is an early-filed return. see IRM 3.11.154.2.21, Early Filed Returns. • Is filed under IRC 6020(b) see IRM 3.11.154.3.8.1, IRC 6020(b) Prepared by Collections.	See IRM 3.11.154.6.9.1, Preparing a Dummy Form 940 Schedule A.
Both the State code and the associated FUTA Taxable Wages amount paid in each State to employees are not identified by the taxpayer,	The return is not a taxable return,	Take no action.
Either the State code and the associated FUTA Taxable Wages amount paid in each State to employees are not identified by the taxpayer,		Take no action.

Exception: Though a return may show wages paid in one or more states, Credit Reduction should not be computed for non-taxable returns, (i.e., no taxable wages on line 7), early filed returns, IRC 6020(b) returns, or for returns claiming a Line 9 amount. For those returns, Line 11 should not contain an amount. If there is an amount in Line 11, edit an asterisk (*) to the left of Line 11.

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3.11.154.6.5
(01-01-2024)
Part 4, Line 12 through Line 15 - Determine Your FUTA Tax and Balance Due or Overpayment

(1) In Part 4 of Form 940 , Form 940 (PR) revision 2022 and prior or, Form 940 (sp) the taxpayer calculates the total FUTA tax for the return tax year, applies any payments, deposits, or overpayments from a prior year against the calculated FUTA tax, and determines the balance due or overpayment amount.

3.11.154.6.5.1
(01-01-2017)
Line 12 - Total FUTA Tax After Adjustments

(1) Line 12, Total FUTA Tax After Adjustments, is taxpayers for Federal Unemployment Tax (FUTA) after adjustments.

IF	THEN
Line 12 is zero blank, dash or none,	Edit the total of Lines 8, 9, 10, and 11 to Line 12.
Line 12, Line 13, and Line 14 are the same amount,	Edit an asterisk (*) to the left of the entry on line 13.
The entry is a negative number,	Enter an asterisk (*) as closely as possible to the left of the entry on Line 12.

3.11.154.6.5.2
(02-09-2017)
Line 13 - FUTA Tax Deposit

(1) The amount in Line 13 should be the total amount of FUTA tax deposited for the year of the return. This amount should also include any credit elect applied from a prior tax year.

IF	THEN
Line 13 is blank (zero, dash, none, illegible, etc.),	Search return and attachments for the Line information: • If Line 13 can be perfected from return or attachment, enter amount to Line 13. • If Line 13 cannot be perfected from return or attachment, leave blank.
The entry is a negative number,	Enter an asterisk (*) as closely as possible to the left of the entry on Line 13.

(2) If the return shows excess credit (remittance or FTD) and the taxpayer requests the credit to be transferred to another type of tax do the following:

- Edit CCC "X".
- Prepare Form 3465. (Part 4, Line 13 (2006 and Subsequent)) or (Part II, Line 8 (2005 and prior)).
- Photocopy related materials and attach to Form 3465.
- Route to BMF Accounts Management.

3.11.154.6.5.3
(01-01-2025)
Line 14 - Balance Due

(1) If any amounts are or are not present on lines 12, 13, or 14, do the following:

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IF	THEN
Line 12, Line 13, and Line 14 are the same amount,	Edit an asterisk (*) to the left of the entry on line 13.
Line 12 is more than line 13, and line 14 is blank or illegible,	1. Perfect line 14 by subtracting line 13 from line 12. 2. If line 13 is blank, dash, zero, None, etc., edit line 12 to line 14.
The return shows an FTD Penalty,	Subtract the FTD penalty amount from the Line 14 balance due amount.

3.11.154.6.5.4
(01-04-2024)
Line 15 - Overpayment

(1)   If an amount is or is not present on line 15, do the following:

IF	THEN
Line 13 is more than Line 12,	The difference should be entered on Line 15.
Line 15 is zero (0), blank, dash, None, N/A, or illegible, and line 13 is more than line 12,	1. Subtract line 12 from line 13. 2. Edit the difference to line 15.
The return shows a FTD Penalty,	Add the FTD penalty to the overpayment.

3.11.154.6.6
(01-01-2025)
Part 5, Line 16 through Line 17 - Reporting of Quarterly Federal Unemployment Tax Liability (ROFTL)

(1)   Part 5 of Form 940 , Form 940 (PR) revision 2022 and prior and Form 940 (sp) consists of Lines 16a through 16d, the Record of Tax Liability (ROFTL) quarterly liability amounts, and Line 17, Total Tax Liability for the Year amount. The quarterly amounts on Lines 16a through Line 16d are transcribed, and Line 17 is generated by the system (e.g., not transcribed).

IF	AND	THEN
The SIC 1 is edited,		No further editing is necessary to Part 5, Form 940 , Form 940 (PR) revision 2022 and prior, or Form 940 (sp).
Line 16d (fourth quarter is blank,	Line 12 is larger than the sum of Lines 16a through 16c,	Edit the difference between Line 12 and the sum of Lines 16a through 16c to Line 16d.
The taxpayer entered a negative figure in any quarter of the liability fields on Lines 16a through 16d,		Enter SIC 1 and see IRM 3.11.154.6.6.1, Schedule Indicator Code (SIC).

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IF	AND	THEN
The taxpayer entered FUTA wages on Lines 16a through 16d and/or the Total FUTA Wages on Line 17,	Line 7 (Revision 2024 - 2012 or 2010 - 2006) or Line 7a, (Revision 2011) is the same amount as Line 17, (or the total of Lines 16a through 16d), and	1. For Tax Year **2024 - 2012 or 2010 - 2006**: • Multiply each wage amount on Line(s) 16a through 16d by .006 (.008 for Tax Year 2010 - 2006). • Enter an asterisk (*) to the left of the taxpayer entry and enter the corrected figure to the left of the asterisk (*). See Figure 3.11.154-9, **TY 2024 Form 940 Quarterly Wage Entered in Error**. 2. Tax Year **2011**: • Enter an asterisk (*) to the left of the taxpayer entry on Line 16a and Line 16b. Multiply the wage amounts on Line 16a and Line 16b by .008. • Enter an asterisk (*) to the left of the taxpayer entry on Line 16c and Line 16d. Multiply those wage amounts on Line 16c and Line 16d by .006. See Figure 3.11.154-10, **TY 2011 Form 940 Quarterly Wages Entered in Error**. • **Do not calculate a new amount for Line 17.** It is not a transcribed line. The total deposits are generated. 3. For Tax Year **2005 and prior:**: • Multiply each wage amount IN Part III on Line(s) 16a through 16d .008. • Enter an asterisk (*) to the left of the taxpayer entry and enter the corrected figure just above to the left of the asterisk (*). See Figure 3.11.154-11, Correct Editing Form 940 (TY 2005 and prior) Part III.

#

DRAFT

Form **940 for 2024:** **Employer's Annual Federal Unemployment (FUTA) Tax Return**

850113

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Part 2:	Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.		
3	Total payments to all employees	3	**535,500.**
4	Payments exempt from FUTA tax	4	**85,500.**

Check all that apply: **4a** ☐ Fringe benefits   **4c** ☐ Retirement/Pension   **4e** ☐ Other
4b ☐ Group-term life insurance   **4d** ☐ Dependent care

5	Total of payments made to each employee in excess of $7,000	5	
6	Subtotal (line 4 + line 5 = line 6)	6	**85,500.**
7	Total taxable FUTA wages (line 3 – line 6 = line 7). See instructions	7	**450,000.**
8	FUTA tax before adjustments (line 7 x 0.006 = line 8)	8	**2,700.**

RECEIVED
001   01312025
IRS-OSC
OGDEN, UT

Part 3:	Determine your adjustments. If any line does NOT apply, leave it blank.		
9	If ALL of the taxable FUTA wages you paid were excluded from state unemployment tax, multiply line 7 by 0.054 (line 7 x 0.054 = line 9). Go to line 12	9	.
10	If SOME of the taxable FUTA wages you paid were excluded from state unemployment tax, OR you paid ANY state unemployment tax late (after the due date for filing Form 940), complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet	10	.
11	If credit reduction applies, enter the total from Schedule A (Form 940)	11	.
Part 4:	Determine your FUTA tax and balance due or overpayment. If any line does NOT apply, leave it blank.		
12	Total FUTA tax after adjustments (lines 8 + 9 + 10 + 11 = line 12)	12	**2,700.**

DRAFT

Part 5:	Report your FUTA tax liability by quarter only if line 12 is more than $500. If not, go to Part 6.

16 Report the amount of your FUTA tax liability for each quarter; do NOT enter the amount you deposited. If you had no liability for a quarter, leave the line blank.

16a	1st quarter (January 1 – March 31)	16a	~~600~~ 100,000.
16b	2nd quarter (April 1 – June 30)	16b	~~750~~ 125,000.
16c	3rd quarter (July 1 – September 30)	16c	~~600~~ 100,000.
16d	4th quarter (October 1 – December 31)	16d	~~750~~ 125,000.
17	Total tax liability for the year (lines 16a + 16b + 16c + 16d = line 17)	17	**450,000.** Total must equal line 12.

**WAGES ENTERED IN ROFTL
TAX YEAR 2024 ON REVISION 2024 FORM**

Figure 3.11.154-9 TY 2024 Form 940 Quarterly Wage Entered in Error

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Internal Revenue Manual

33581809

3.11.154.6.6

Form **940** for **2011:** Employer's Annual Federal Unemployment (FUTA) Tax Return   **11** 850111
Department of the Treasury — Internal Revenue Service   OMB No. 1545-0028

ON: 04/16/2025
BY: J.D. Aspen
Statute

Part 2: Determine your FUTA tax before adjustments for 2011. If any line does NOT apply, leave it blank.

3	Total payments to all employees	3	535,500.
4	Payments exempt from FUTA tax	4	85,500.

RECEIVED
8 03172025
OGDEN, UT
IRS-OSC

Check all that apply: 4a   Fringe benefits   4c ☐ Retirement/Pension   4e ☐ Other
4b ☐ Group-term life insurance   4d ☐ Dependent care

5	Total of payments made to each employee in excess of $7,000	5	.
6	Subtotal (line 4 + line 5 = line 6)	6	85,500.
7a	Total taxable FUTA wages (line 3 – line 6 = line 7a) (see instructions)	7a	450,000.
7b	Line 7a FUTA wages paid before 7/1/2011 7b 225,000. x .008 = 7c		1,800.
7d	Line 7a FUTA wages paid after 6/30/2011 7d 225,000. x .006 = 7e		1,350.
8	FUTA tax before adjustments (line 7c + line 7e = line 8)	8	3,150.

Part 3: Determine your adjustments. If any line does NOT apply, leave it blank.

9	If ALL of the taxable FUTA wages you paid were excluded from state unemployment tax, multiply line 7a by .054 (line 7a × .054 = line 9). Go to line 12	9	.
10	If SOME of the taxable FUTA wages you paid were excluded from state unemployment tax, OR you paid ANY state unemployment tax late (after the due date for filing Form 940), complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet	10	.
11	If credit reduction applies, enter the amount total from Schedule A (Form 940)	11	.

Part 4: Determine your FUTA tax and balance due or overpayment for 2011. If any line does NOT apply, leave it blank.

12	Total FUTA tax after adjustments (lines 8 + 9 + 10 + 11 = line 12)	12	3,150.

Part 5: Report your FUTA tax liability by quarter only if line 12 is more than $500. If not, go to Part 6.

16 Report the amount of your FUTA tax liability for each quarter; do NOT enter the amount you deposited. If you had no liability for a quarter, leave the line blank.

16a	1st quarter (January 1 – March 31)	16a	800✗ 100,000.
16b	2nd quarter (April 1 – June 30)	16b	1000✗ 125,000.
16c	3rd quarter (July 1 – September 30)	16c	600✗ 100,000.
16d	4th quarter (October 1 – December 31)	16d	750✗ 125,000.
17	Total tax liability for the year (lines 16a + 16b + 16c + 16d = line 17)	17	450,000. Total must equal line 12.

WAGES ENTERED IN ROFTL
TAX YEAR 2011 ON REVISION 2011 FORM

Figure 3.11.154-10 TY 2011 Form 940 Quarterly Wages Entered in Error

3.11.154.6.6   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
33581810   Any line marked with a #
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Figure 3.11.154-11 Correct Editing Form 940 (TY 2005 and prior) Part III

| 3.11.154.6.6.1
(01-01-2025)
Schedule Indicator Code (SIC) | (1) | The Schedule Indicator Code (SIC) is used to notify the computer that the quarterly federal tax liability for Unemployment Tax (ROFTL) in Part 5 is incomplete or unnecessary. |

(2)   Edit SIC Code 1 when:

                                                                                                                #
 #
 #

    d.   The ROFTL is blank.

    e.   Line 17 ROFTL total has an entry, but there are no quarterly liability amounts present.

                                                                                                                    #
 #

(3)   When SIC 1 is edited, the computer determines if a Federal Tax Deposit (FTD) penalty should be assessed based on a quarterly average of the total liability for the year. Edit the SIC Code in the following locations:

FORM TYPE	LOCATION
Form 940 (Revision 2006 and subsequent)	On Page 1, to the right of the Part 1 line. See Exhibit 3.11.154-1, Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024).
Form 940 (PR) (Revision 2006 and subsequent)	On Page 1, to the right of the Parte 1 (Part 1) line. See Exhibit 3.11.154-2, Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022).
Form 940 (sp)	On Page 1, to the right of the Parte 1 (Part 1) line. See Exhibit 3.11.154-3, Form 940 (sp) (Revision 2024) and Form 940 Schedule A (sp) (Revision 2024).

3.11.154.6.7
(01-01-2017)
Part 6 - Third-Party Designee

(1)　See IRM 3.11.154.2.17, Third-Party Designee.

3.11.154.6.8
(01-01-2024)
Part 7 - Signature Area

(1)　Part 7 of Form 940, Form 940 (PR) revision 2022 and prior, and Form 940 (sp) consists of an area on Page 2 for the taxpayer to sign the return, date the return, write their title, and provide a daytime phone number. The signature must appear in the Sign your name here Box, or on the Signature line. See IRM 3.11.154.2.19, Signature.

(2)　Below the signature area on Page 2, Form 940 , Form 940 (PR) revision 2022 and prior, and Form 940 (sp) is a designated area for Paid Preparer information. See IRM 3.11.154.2.18, Paid Preparer Section.

3.11.154.6.9
(01-18-2024)
Form 940 Schedule A, Form 940 Schedule A (PR) , and Form 940 Schedule A (sp), Multi-State Employer and Credit Reduction Information

(1)　Form 940 Schedule A shows the amount of taxable FUTA Wages paid to employees by State, provides the State taxable Credit Reduction rate, if any and provides a way for the employer to determine the total Credit Reduction amount for Line 11 of Form 940, Form 940 (PR), and Form 940 (sp). See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004).

Exception:　Credit Reduction should not be computed for non-taxable returns, (e.g., no taxable wages on line 7), IRC 6020(b) returns, early filed returns, or returns claiming Line 9. For those returns Line 11 should not contain an amount. If an amount is entered on Line 11, edit and asterisk (*) to the left of the entry of line 11.

(2)　On Form 940 Schedule A, if the Box to the left of the State abbreviation is not checked, then check the Box. Do not compute the Credit Reduction amount. Allow the return to fall out to ERS who will compute any Credit Reduction.

IF	THEN
The entire Form 940 Schedule A should be deleted,	Edit a slash (/) across the Form 940 Schedule A.

3.11.154.6.7　　　Internal Revenue Manual　　　Cat. No. 33581C (11-15-2024)
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IF	THEN
The Form 940 Schedule A is attached for a single State, and Box 1a contains an entry,	1. Compare the Box 1a entry to the Form 940 Schedule A to ensure the same State is shown. Correct any transcription errors made in Box 1a. See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004) to determine if it's a valid Credit Reduction State. 2. If the State is not a Credit Reduction State, and no other states are marked, draw a slash (/) across the Form 940 Schedule A to delete it. 3. If the State code shown or entered in Box 1a is not the State marked on Form 940 Schedule A, then place an asterisk (*) to the left of the State checked on Form 940 Schedule A, and mark the Box for the correct State. 4. If the State is a Credit Reduction State, mark Box 2, if blank. 5. If the same State is marked on Form 940 Schedule A, continue to process.
An attached Form 940 Schedule A indicates a single State, but Box 1a is blank or illegible,	1. Enter the correct State code for the State marked on Form 940 Schedule A in Box 1a. 2. Determine if the State on Form 940 Schedule A is a Credit Reduction State for the Form 940 tax year being filed. See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004): • If the State is a Credit Reduction State, mark Box 2, if blank. • If the State is not a Credit Reduction State, and no other states are marked, draw a slash (/) across the Form 940 Schedule A to delete it.
Form 940 Schedule A is attached, and multiple states are marked,	Mark Box 1b if not marked.
Multiple Form 940 Schedule A's are attached,	a. If the State codes for all Schedules are the same and wages for all Schedules are different, then edit the combined amount of all Schedules Taxable Wages on to the first Schedule attached and slash the other Schedules. b. If the State codes for all Schedules are not the same, then edit all states code and Schedule Taxable Wages on to the first Schedule attached and slash the other Schedules.

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IF	THEN
Form 940 Schedule A is not attached, but Form 940 or an attachment shows the taxpayer is a Multi-State filer, e.g., Box 1b checked, multiple states are listed for the current tax year on a Form 940 Page from a prior year revision, an attachment to a correct revision Form 940 showing the multiple states, etc.	See IRM 3.11.154.6.9.1, Preparing a Dummy Form 940 Schedule A.
Box 1a contains a valid State code and Box 1b is checked,	1. If the only State checked on Form 940 Schedule A is the State shown in Box 1a: • Determine if the State on Form 940 Schedule A is a Credit Reduction State for the return tax year (See Exhibit 3.11.154-13, Credit Reduction States and Rates (TY 2024 - 2004) • If the State is a Credit Reduction State, no action is needed on the Form 940 Schedule A. Edit an asterisk (*) to the left of the entry in Box 1b. If Box 2 is not checked, check Box 2. • If the State marked on Form 940 Schedule A is not a Credit Reduction State, edit a slash through the entire Form 940 Schedule A. Also, edit an asterisk (*) to the left of the entry in Box 1b and Box 2 on the return, if checked. 2. If Form 940 Schedule A shows multiple states: • Check that the State initially shown in Box 1a is also checked on Form 940 Schedule A. If not checked, then check the Box of the State on Form 940 Schedule A. • Edit an asterisk (*) to the left of the State code Box 1a. • Check Box 1b on the return, if not checked. • Check Box 2 on the return if any of the states shown on Schedule A are Credit Reduction states. 3. If Form 940 Schedule A is not attached, but the return or attachments indicate the return is a Multi-State filer: • See IRM 3.11.154.6.9.1, Preparing a Dummy Form 940 Schedule A.

IF	THEN
There is no entry in Box 1a or Box 1b.	1. Examine the return, Form 940 Schedule A, and all attachments. 2. If no states are listed: • Consider the taxpayer to be a single State filer. Edit the valid State code from the entity section of the return to Box 1a. • Determine if the State in the entity is a Credit Reduction State. • If the State is not a Credit Reduction State for the return tax year, no action is needed. • Schedule A is attached with no State codes or the State listed is not a credit Reduction State, delete the Schedule A. 3. If multiple Credit Reduction states are listed on an attachment see IRM 3.11.154.6.9.1, Preparing a Dummy Form 940 Schedule A (Revision 2024).

3.11.154.6.9.1
(01-01-2025)
**Preparing a Dummy
Form 940 Schedule A**

(1) Use the following instructions to prepare a "dummy" Form 940 Schedule A when required:

Note: If a loose Form 940 Schedule A is received without a Form 940, forward the Form 940 Schedule A to Accounts Management.

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IF	AND	THEN
The taxpayer is a **Multi-State employer** (e.g., multiple states are found listed on an attachment or elsewhere), *Note:* States can be any combination of Credit Reduction and non-Credit Reduction states.		1. Dummy a current Form 940 Schedule A (2024 Rev.) as follows: • Enter the last 4 digits of the taxpayer's EIN. • Check a Box for each State shown on the attachment, including the State shown in Box 1a if present. • Enter the FUTA Wage amounts, if available to the applicable column on Form 940 Schedule A for each State. Do not compute any credit Reduction amounts. 2. Edit Form 940 as follows: • Edit an asterisk (*) to the left of the State code in Box 1a if present. • Mark Box 1b if not marked. • Mark Box 2 if any of the states shown on the attachment are Credit Reduction states.
The taxpayer is a **Single State employer** AND The State is subject to Credit Reduction, *Note:* If multiple Credit Reduction states are present, see the Multi-State employer instructions above.	**None** of the following conditions exist: • has a valid entry on Line 9 see IRM 3.11.154.6.4.1, Line 9 - All Wages Paid Excluded From State Unemployment Tax. • is a non-taxable return see IRM 3.11.154.3.4(3), Non-Taxable Returns. • is an early-filed return see IRM 3.11.154.2.21, Early Filed Returns. • is filed as an IRC 6020(b) see IRM 3.11.154.3.8.1, IRC 6020(b) Prepared by Collections.	1. Edit Form 940 as follows: • Edit an asterisk (*) to the left Box 1b if marked. • Mark Box 2 if not marked. 2. Do not dummy a Form 940 Schedule A; it is not required. 3. Do not calculate or edit Credit Reductions amounts or information.

IF	AND	THEN

The taxpayer is a **Single State employer** AND The State is subject to Credit Reduction,
 	
Note: If multiple Credit Reduction states are present, see the Multi-State employer instructions above.
	One or more of the following conditions exist:
	• has a valid entry on Line 9 see IRM 3.11.154.6.4.1, Line 9 - All Wages Paid Excluded From State Unemployment Tax.
	• is a non-taxable return see IRM 3.11.154.3.4(3), Non-Taxable Returns.
	• is an early-filed return see IRM 3.11.154.2.21, Early Filed Returns.
	• is filed as an IRC 6020(b) see IRM 3.11.154.3.8.1, IRC 6020(b) Prepared by Collections.
		1. Do not dummy a Form 940 Schedule A (2024 Rev.); it is not required.
		2. Do not calculate or edit Credit Reduction amounts or information.
		3. Edit Form 940 as follows:
		  • Edit an asterisk (*) to the left of Line 11 if it contains an entry.
		  • Edit an asterisk (*) to the left of Box 1b if marked.
		  • Edit an asterisk (*) to the left of Box 2 if marked.
		4. If the return is non-taxable, also edit the following on Form 940:
		  • If Line 1a is blank, edit "ZZ" in Box 1a.
		  • If the taxpayer completed Box 1a, edit an asterisk (*) to the left of the entry in Box 1a and edit "ZZ" to the left of the asterisk.

The taxpayer is a Single State employer AND the State is NOT a Credit Reduction State,		1. Do not dummy a Form 940 Schedule A; it is not required.
		2. Edit Form 940 as follows:
		  • Edit an asterisk (*) to the left of Box 1b if marked.
		  • Edit an asterisk (*) to the left of Box 2 if marked.

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IF	AND	THEN
A Revision 2010 or prior Form 940 Schedule A is attached,	The return has conditions requiring a Form 940 Schedule A,	Replace the 2010 or prior Form 940 Schedule A Revision with a current Form 940 Schedule A 2024 Revision: 1. On the Form 940 Schedule A 2024 revision to be dummied: • Enter the last 4 digits of the taxpayer's EIN. • Mark the Box to the left of each State which is marked on the 2010 or prior Form 940 Schedule A revision. • Enter the FUTA Wage amounts, if available to the applicable column on Form 940 Schedule A for each State. 2. On the 2010 or prior Form 940 Schedule A revision: • Delete the Form 940 Schedule A by editing a slash (/) through the entire Page. • Place the deleted Form 940 Schedule A in order behind the dummied Form 940 Schedule A.

3.11.154.7 (01-01-2017) **Form 940 - Revision 2005 and Prior**	(1) General guidelines for editing returns.
3.11.154.7.1 (01-01-2023) **Part I, Line 1 through Line 7 - Computation of Taxable Wages**	(1) Form 940 - Part I should be completed by all filers. If Part I does not contain sufficient information to determine Line 5, Total taxable wages, correspond. *Exception:* It is not necessary to correspond to obtain Part I information from the taxpayer when they show not liable, zero, dash, all blank entries or final return and the return is **signed**. We should consider taxpayer intent.
3.11.154.7.1.1 (01-01-2017) **Line 1 - Total Payments**	(1) Form 940 - Part I, Line 1 - Total Payments for Services of Employees: a. After editing the line number to current year line number format see IRM 3.11.154.6.3.1, Line 3 - Total Payments to All Employees. b. If the taxpayer does not respond, disallow the entry on Line 3.

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| 3.11.154.7.1.2
(01-01-2017)
Line 2 - Exempt Payments | (1) | Form 940 - Part 1, Line 2, Exempt Payments: |
| | a. | After editing the line number to current year line number format see IRM 3.11.154.6.3.2, Line 4 - Payments Exempt from FUTA Tax. |

| 3.11.154.7.1.3
(01-01-2017)
Line 3 - Excess Payments of More Than $7,000 | (1) | Form 940 - Part 1, Line 3, Excess Payment: |
| | a. | After editing the line number to current year line number see IRM 3.11.154.6.3.3, Line 5 - Total Payments to Employees in Excess of $7,000. |

| 3.11.154.7.1.4
(01-01-2017)
Line 4 - Total Exempt Payments | (1) | Form 940 - Part 1, Line 4, Total Exempt Payments: |
| | a. | After editing the line number to current year line number see IRM 3.11.154.6.3.4, Line 6 - Subtotal. |

| 3.11.154.7.1.5
(01-01-2017)
Line 5 - Total Taxable Wages | (1) | Form 940 - Part 1, Line 5, Total Taxable Wages: |
| | a. | After editing the line number to current year line number format see IRM 3.11.154.6.3.5, Line 7 (Line 7a Revision 2011) - Total Taxable FUTA Wages. |

| 3.11.154.7.1.6
(01-01-2024)
Line 6 - Credit Reduction | (1) | See IRM 3.11.154.6.9, Form 940 Schedule A , Form 940 Schedule A-PR , and Form 940 Schedule A (sp), Multi-State Employer and Credit Reduction Information. |

| 3.11.154.7.1.7
(01-01-2024)
Line 7 - Total Credit Reduction | (1) | See IRM 3.11.154.6.9, Form 940 Schedule A , Form 940 Schedule A-PR,)and Form 940 Schedule A (sp), Multi-State Employer and Credit Reduction Information (Puerto Rican Version) (Revision 2011 and Subsequent). |

| 3.11.154.7.2
(01-01-2017)
Part II, Line 1 through Line 10 - Tax Due or Refund | (1) | This section contains instructions for Form 940, Part II. |

3.11.154.7.2.1 (01-01-2024) **Line 3(a) - Name of State**	(1)	If the State name is written out in its entirety, or shown in a format other than as a valid State code, edit the correct two-character State code.
	(2)	If more than one State code is present on the return or attachments, attach a Form 940 Schedule A and mark the applicable State code boxes.
	(3)	Valid State codes, for purposes of unemployment tax, include all fifty states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. See Exhibit 3.11.154-7, State Abbreviations.
	(4)	G coded returns (Amended) are not edited.
	(5)	When processing a non - taxable return from a single State filer subject to credit Reduction State, edit a ZZ State Code to Part II, Line 3(a).

(6)   If the State Code is missing or illegible, edit the State used in the entity section of the return to Part II, Line 3(a).

(7)   Edit a State Code only once, even if the taxpayer has entered it more than once.

(8)   Do not edit any data listed for foreign countries including:

- American Samoa
- Federated States of Micronesia
- Guam
- Marshall Islands
- Northern Mariana Islands
- Palau

Note: Only Puerto Rico and U.S. Virgin Islands will be edited to Part II, Line 3(a) or Form 940 Schedule A.

3.11.154.7.2.2
(01-01-2017)
Line 7 - Total FUTA Tax

(1)   Form 940 - Part II, Line 7, Total FUTA Tax

  a.   After editing the line numbers to current year format see IRM 3.11.154.6.5.1, Line 12 - Total FUTA Tax After Adjustments and follow all procedures that apply.

3.11.154.7.2.3
(01-01-2017)
Line 8 - Total FUTA Federal Tax Deposit (FTD)

(1)   Form 940 - Part II, Line 8, Total FUTA FTD

  a.   After editing the line numbers to current year format see IRM 3.11.154.6.5.2, Line 13 - FUTA Tax Deposit.

3.11.154.7.2.4
(01-01-2017)
Line 9 / Line 10 - Balance Due/ Overpayment

(1)   Form 940 - Part II, Line 9, Balance Due / Line 10, Overpayment

  a.   After editing the line numbers to current year format see IRM 3.11.154.6.5.3, Line 14 - Balance Due.

  b.   Also see IRM 3.11.154.6.5.4, Line 15 - Overpayment.

3.11.154.7.3
(01-01-2024)
Part III - Record of Quarterly Federal Unemployment Tax Liability (ROFTL)

(1)   After editing the line numbers to current year format see IRM 3.11.154.6.6, Part 5, Line 16 through Line 17 - Reporting of Quarterly Federal Unemployment Tax Liability (ROFTL).

3.11.154.7.3.1
(01-01-2017)
Schedule Indicator Code (SIC)

(1)   The Schedule Indicator Code (SIC) is used to notify the computer that the Quarterly Federal Tax Liability for Unemployment Tax (ROFTL), Part III is incomplete or unnecessary. When the SIC **1** is edited the computer will determine if a Federal Tax Deposit penalty should be assessed based on a quarterly average of the total liability for the year. The SIC code will be edited in the right margin, next to the line that separates the entity information from the ABCD Questions.

(2)   Edit SIC Code 1 when:

#

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#
#

#
#

| | d. | The ROFTL is blank. |
| | e. | There is a total in the ROFTL, but there are no Quarterly Liability Amounts present. |

3.11.154.8
(01-01-2024)
Form 940-EZ - General Guidelines for Converting and Editing Returns

(1) Form 940-EZ was filed between Tax Years 2005 and 2009. If filed now, they are converted to a current year Form 940.

(2) All Form 940-EZ returns are converted to a current year Form 940 for processing. See Exhibit 3.11.154-5, Form 940-EZ Conversion Table.

Note: When converting to a current Form 940 circle out the -EZ from the form. number located in the upper top left of form.

(3) If correspondence is needed to resolve unprocessable conditions, first convert the return to a Form 940.

(4) If credit Reduction applies to a State on a filed Form 940-EZ, transfer the information to a current Form 940 revision and/or Form 940 Schedule A. See IRM 3.11.154.6.9, Form 940 Schedule A, Form 940 Schedule A-PR) and Form 940 Schedule A (sp), Multi-State Employer and Credit Reduction Information and, Multi-State Employer and Credit Reduction Information.

(5) This section provides instructions for processing Form 940-EZ in the Code and Edit function.

    a. See IRM 3.11.154.2.1, Coding and Editing Returns.
    b. See IRM 3.11.154.2.17, Third-Party Designee.
    c. See IRM 3.11.154.2.19, Signature.
    d. See IRM 3.11.154.2.20, Tax Period.
    e. See IRM 3.11.154.3.3, Received Date.
    f. See IRM 3.11.154.3.5, Indian Tribal Government Procedures.
    g. See IRM 3.11.154.3.6, Statute Returns.
    h. See IRM 3.11.154.5, Entity Perfection - General.

3.11.154.8.1
(01-01-2024)
Question B (1) - Valid State Code

(1) **Valid - State Code - Question B(1)**

    a. Question B(1) of the Form 940-EZ is converted to Line 1a on the Form 940 (current revision).
    b. See IRM 3.11.154.6.2.1, Box 1a (Single State Filer), Box 1b (Multi Sate Filer), Box 2 (Subject to Credit Reduction).
    c. For a list of valid State codes see Exhibit 3.11.154-7, State Abbreviation.

3.11.154.8.2
(01-01-2023)
Part I, Line 1 through Line 9 - Taxable Wages and FUTA Tax

(1) Form 940-EZ, Part I should be completed by all filers.

    a. If Part I does not contain sufficient information to determine Total Taxable Wages, correspond.
    b. It is not necessary to correspond to obtain Part I information from the taxpayer when they show not liable, zero, dash, all blank entries or final return and the return is **signed**. We should consider taxpayer intent.

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3.11.154.8.2.1 (01-01-2017) **Line 1 - Total Payments**	(1) Form 940-EZ - Part I, Line 1 - Total Payments: a. Line 1 of the Form 940-EZ is converted to Line 3 of the Form 940. b. See IRM 3.11.154.6.3.1, Line 3 - Total Payments to All Employees.
3.11.154.8.2.2 (01-01-2017) **Line 2 - Exempt Payments**	(1) Form 940-EZ - Line 2, Exempt Payments: a. Line 2 of the Form 940-EZ is converted to Line 4 of the Form 940. b. See IRM 3.11.154.6.3.2, Line 4 - Payments Exempt from FUTA Tax.
3.11.154.8.2.3 (01-01-2017) **Line 3 - Excess Payments More Than $7,000**	(1) Form 940-EZ - Line 3, Excess payment: a. Line 3 of the Form 940-EZ is converted to Line 5 of the Form 940. b. See IRM 3.11.154.6.3.3, Line 5 - Total Payments to Employees in Excess of $7,000.
3.11.154.8.2.4 (01-01-2017) **Line 4 - Total Exempt Payments**	(1) Form 940-EZ - line 4, Total Exempt Payments: a. Line 4 of the Form 940-EZ is converted to Line 6 of the Form 940. b. See IRM 3.11.154.6.3.4, Line 6, - Subtotal.
3.11.154.8.2.5 (01-01-2017) **Line 5 - Total Taxable Wages**	(1) Form 940-EZ - Line 5, Total Taxable Wages: a. Line 5 of the Form 940-EZ is converted to Line 7 of the Form 940. b. See IRM 3.11.154.6.3.5, Line 7 (Line 7a Revision 2011) - Total Taxable FUTA Wages.
3.11.154.8.2.6 (01-01-2017) **Line 6 - FUTA Tax**	(1) Form 940-EZ - Line 6, FUTA Tax: a. Line 6 of the Form 940-EZ is converted to Line 12 of the Form 940. b. See IRM 3.11.154.6.5.1, Line 12 - Total FUTA Tax After Adjustments for processing procedures.
3.11.154.8.2.7 (01-01-2017) **Line 7 - Total FUTA Tax Deposits**	(1) Form 940-EZ, Total FUTA Tax Deposits: a. Line 7 of the Form 940-EZ is converted to Line 13 of the Form 940. b. See IRM 3.11.154.6.5.2, Line 13 - FUTA Tax Deposit.
3.11.154.8.2.8 (01-01-2017) **Line 8 - Balance Due**	(1) Form 940-EZ - Line 8, Balance Due: a. Line 8 of the Form 940-EZ is converted to Line 14 of the Form 940. b. See IRM 3.11.154.6.5.3, Line 14 - Balance Due.
3.11.154.8.2.9 (01-01-2017) **Line 9 - Overpayment**	(1) Form 940-EZ - Line 9 Overpayment: a. Line 9 of the Form 940-EZ is converted to Line 15 of the Form 940. b. See IRM 3.11.154.6.5.4, Line 15 - Overpayment.

3.11.154.8.3
(01-01-2024)
**Part II - Record of
Quarterly Federal
Unemployment Tax
Liability (ROFTL)**

(1) Form 940-EZ Part II - Liability for Quarter:

   a. Part II, First, Second, Third and Fourth Quarter Liability boxes will be converted to Line 16a, 16b, 16c, and 16d.

   b. See IRM 3.11.154.6.6, Part 5, Line 16 through Line 17 - Reporting of Quarterly Federal Unemployment Tax Liability (ROFTL).

3.11.154.8.3.1
(01-01-2017)
**Schedule Indicator Code
(SIC)**

(1) See IRM 3.11.154.6.6.1, Schedule Indicator Code (SIC).

3.11.154.9
(01-01-2023)
**Form 940 (PR) - General
Guidelines for Editing
Returns (OSPC Only)
(Revision 2005 and
Prior)**

(1) Procedures for editing Form 940 (PR) in the Code and Edit function.

(2) See Pub 850 (EN/SP) (Revised May 2011) English-Spanish Glossary of Tax Words and Phrases used in Publications by the IRS which may be used as a resource tool for processing Form 940 (PR) returns.

IF	AND	THEN
The taxpayer completes Parte I, Parte II, Parte III, and Parte IV,		1. Examine the return and attachments. 2. Delete the incorrect used Parte.
Wages are paid in Puerto Rico only,	Unemployment payments were made timely,	Only Parte I and Parte II should be completed by the taxpayer. It is not necessary for the taxpayer to complete Parte III or Parte IV.
The taxpayer completed both Parte II and Parte III,		1. Examine the return and attachments. 2. If only Puerto Rico is shown in both Parte II and Parte III, delete Parte III. 3. If Puerto Rico and any other possession or State is shown in Parte III, delete Parte II.
The taxpayer completes Parte I, Parte III, and Parte IV,		Take no action. The taxpayer is stating that their unemployment tax payments were not made timely or that wages were paid in other states, the District of Columbia or the Virgin Islands.

3.11.154.9.1
(01-01-2024)
**Procedures for Coding
and Editing Returns**

(1) For Code and Editing Form 940 (PR), follow instructions below:

   a. See IRM 3.11.154.2.1, Coding and Editing Returns.
   b. See IRM 3.11.154.2.17, Third-Party Designee.
   c. See IRM 3.11.154.2.19, Signature.
   d. See IRM 3.11.154.2.20, Tax Period.

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      e.   See IRM 3.11.154.3.3, Received Date

      f.   See IRM 3.11.154.3.5, Indian Tribal Government Procedures.

      g.   See IRM 3.11.154.3.6, Statute Returns.

      h.   See IRM 3.11.154.5, Entity Perfection - General.

3.11.154.9.2
(01-01-2023)
Credit Reduction States

(1) For some Tax Year(s) 2005 and prior, the taxpayer may be required to use Form 940 to report the FUTA wages paid in a Credit Reduction State. Form 940 (PR) can**not** be used if credit Reduction applies. Convert to Form 940.

Note: If the converting the Form 940 (PR) to a Form 940 circle out (PR) from the form number located in upper top left of the return.

(2) If conversion is not possible, correspond with the taxpayer.

3.11.154.9.3
(01-01-2023)
Parte I, Line 1 through Line 5 - Computation of Taxable Wages

(1) Form 940 (PR), Parte I, should be completed by all filers.

      a.   If Parte I does not contain sufficient information to determine Line 5, Total Taxable Wages, correspond.

      Exception: It is not necessary to correspond to obtain Parte I information from the taxpayer when they show not liable, zero, dash, all blank entries or final return and the return is **signed**. We should consider taxpayer intent.

3.11.154.9.3.1
(01-01-2017)
Line 1 - Total Payments for Services of Employees

(1) Parte I, Line 1 - Total Compensation Paid to Employees:

      a.   If Line 1 and Line 3 have the same line entries, edit an asterisk (*) on Line 3 to make the return fall out to Error Resolution.

3.11.154.9.3.2
(01-01-2017)
Line 2 - Exempt Payments

(1) Parte 1, Line 2, Exempt Payments No action is necessary.

3.11.154.9.3.3
(01-01-2017)
Line 3 - Excess Payments More Than $7,000

(1) Parte 1, Line 3, Excess Payment:

      a.   If Line 3 equals Line 1, edit an asterisk (*) on Line 3 to make the return fall out to Error Resolution.

3.11.154.9.3.4
(01-01-2017)
Line 4 - Total Exempt Payments

(1) Parte I, Line 4 - Total Exempt Payments:

      a.   If there is no entry in Parte I, Line 2 and Line 3, accept the taxpayer's entry on Line 4. Do not correspond.

      b.   If Line 4 is greater than Parte I, Line 1, correspond. (Total exempt payments cannot exceed total payments.)

3.11.154.9.3.5
(01-01-2024)
Line 5 - Total Taxable Wages

(1) **Line 5, Total Taxable Wages**:

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Any line marked with a #
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a. If there is an entry on Line 1 (Total Payments) and Lines 2 through Line 5 shows a significant entry such as a 0 (zero), blank, dash **-**, or the word NONE written on the line, edit the amount on Line 1 to Line 5 or compute and enter Line 1 less Line 4.

b. If Parte I, Line 1 and 5 have no entries, correspond to obtain the total taxable wages, **except**:

IF	THEN
Line 1, Parte II has an entry,	Determine the wages by dividing this amount by .008
The State in Parte III, Line 3, Column (a) has a taxable State wage base of $7,000 and there are no exempt payments,	Edit the amount from Parte II, Line 3, Column (c) - Taxable payroll to Parte I, Line 5.

c. If Line 5 is blank or zero because Line 3 equals Line 1, edit an asterisk (*) on Line 3 to make the return fall out to Error Resolution.

3.11.154.9.4
(01-01-2023)
Parte II, Line 1 through 4 - Balance Due/Overpayment

(1) Form 940 (PR) Parte II, Line 3, Balance Due/Line 4, Overpayment:

a. If these lines are blank or illegible, perfect from the return or attachments if possible.

b. Perfect the Balance Due/Overpayment by subtracting Line 4 from Line 1 of Part II, Form 940 (PR).

IF	THEN
The Balance Due amount on Line 3 contains Failure to Deposit (FTD), Failure to File (FTF), or Failure to pay (FTP) penalty and/or interest,	1. Circle out the Line 3 amount. 2. Subtract the FTD, FTF, FTP penalty and interest from the Balance Due amount. 3. Edit the Balance Due amount to the left. 4. Edit a Received Date, if necessary.
The Overpayment amount on Line 4 is reduced by FTD, FTF, FTP penalty and/or interest,	1. Circle out the Line 4 amount. 2. Add the FTD, FTF, FTP penalty and interest to the Overpayment amount. 3. Edit the Overpayment amount to the left. 4. Edit a Received Date, if necessary.

3.11.154.9.5
(01-01-2017)
Parte III, Line 1 through Line 10 - Tax Owed (due) or Refund

(1) The taxpayer will complete Part III and Parte IV, if applicable.

3.11.154.9.5.1
(01-01-2023)
Line 3(a) - State Codes

(1) All returns must have at least one State Code.

(2) The only exception is a "G" coded return (amended return).

(3) The word **State** as used here, following IRC 3306(j)(1), includes the fifty U.S. States plus the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, participating by the Federal Unemployment Tax Act.

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Any line marked with a #
is for **Official Use Only**

(4)   The State Code can only be edited in two locations:

    a.   On the Form 940 (PR), Parte III, Line 3, Column (a), or
    b.   On the Form 940 Schedule A.

(5)   If there are one or two State codes, ISRP will capture the 2-character State code in Parte III, Line 3, Column (a) of the form.

(6)   If there are three or more State Codes, enter the states on Form 940 Schedule A.

(7)   A non-taxable return will be given a **ZZ** State Code when the State is subject to credit Reduction.

(8)   If a State Code(s) cannot be determined from Parte III or attachments to the return, use the Entity State Code of the taxpayer's mailing address.

(9)   If the State Code cannot be determined, correspond.

(10) Edit a State Code only once, even if the taxpayer has entered it more than once on the return.

(11) **OSPC Only** - The only countries that should be listed on Form 940 (PR), or should be edited will be Puerto Rico and the U.S. Virgin Islands. You may sometimes see the following countries listed in Parte III. They should not be listed on Form 940 (PR) and should not be edited because they do not participate in our unemployment system. Asterisk (*) to the left of any data listed for foreign countries, including the following:

    •   American Samoa
    •   Federated States of Micronesia
    •   Guam
    •   Marshall Islands
    •   Northern Mariana Islands
    •   Palau

    Note: Remember only Puerto Rico or the U.S. Virgin Islands can qualify for Credit Reduction.

3.11.154.9.5.2   (1)   Form 940 (PR) - Parte III, Line 7, Total FUTA Tax
(01-01-2023)
Line 7 - Total FUTA Tax

IF	THEN
Line 7 is blank or illegible,	1. Perfect it from the return or attachments if possible. 2. Do not compute the Gross FUTA Tax, Line 1 of Parte III, or the Maximum Credit, Line 2 of Parte III, to perfect Line 7.
Lines 1 through 3 of Parte III are completed by the taxpayer or perfected from information on the return,	Perfect Line 7 by subtracting Line 3 from the amount on Line 1, Parte III.

3.11.154.9.5.3
(01-01-2023)
Line 8 - Total FUTA Tax Deposits

(1) **If Form 940 (PR) - Parte III, Line 8, Total FUTA Tax Deposits is blank, perfect it from the following areas on the return:**

    a.   Enter the amount from Parte II, Line 4, if you can determine it is a misplaced entry.

    b.   The taxpayer may have the FTD amount erroneously entered in the amount line of Question A or on an attachment.

    c.   If you can determine the correct FTD amount from this area, enter it on Line 8, Parte III.

(2) If the return shows excess credit (remittance or FTD) and the taxpayer requests the credit to be transferred to another type of tax do the following:

- Edit CCC "X".
- Prepare Form 3465. (Parte III, Line 8 (2005 and prior)).
- Photocopy related materials and attach to Form 3465.
- Route to BMF Accounts Management.

3.11.154.9.5.4
(01-01-2023)
Line 9/10 - Balance Due Overpayment

(1) **Form 940 (PR) - Parte III, Line 9, Balance Due/Line 10, Overpayment**

    a.   If Line 9 or Line 10 are blank or illegible, perfect from the return or attachments if possible.

    b.   Perfect the balance due/overpayment by subtracting Line 8 from Line 7.

IF	THEN
The Balance Due amount on Line 9 contains Failure to Deposit (FTD), Failure to File (FTF), or Failure to Pay (FTP) penalty and/or interest,	1. Circle out the Line 9 amount. 2. Subtract the FTD, FTF, FTP penalty and interest from the Balance Due amount. 3. Edit the Balance Due to the left. 4. Edit a Received Date, if necessary.
The Overpayment amount on Line 10 is reduced by FTD, FTF, FTP penalty and/or interest,	1. Circle out the Line 10 amount. 2. Add the FTD, FTF, FTP penalty and interest to the Overpayment amount. 3. Edit the Overpayment amount to the left. 4. Edit a Received Date, if necessary.

    c.   If the taxpayer has entered the same amounts in Lines 7, 8, and 9, the amount is equal to total amount of the ROFTL, delete the entry on Line 8.

\#

3.11.154.9.6
(01-01-2024)
Parte IV - Record of Quarterly Federal Unemployment Tax Liability

(1) Form 940 (PR) - Liability for the Quarter:

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IF	AND	THEN
Parte II and Parte III are completed and the re-mittance or ROFTL does not agree,	The taxpayer's intent cannot be determined,	Correspond with the taxpayer.
Blank,		Edit from attachments.
Only the fourth quarter is blank,	The taxpayer indicates a larger amount on Line 7, Parte III,	1. Edit an amount to the fourth quarter that would allow the total of all quarters to equal total FUTA tax. 2. Edit a Received Date, if necessary to keep a penalty from being charged.
The taxpayer entered wages instead of tax in Parte IV,		1. Compare Parte I, Line 5 with the Total for Year, Parte IV. 2. If the amounts agree, and Parte II, Line 1 or the wage amount shown for each quarter by .008. See Figure 3.11.154-12, Correct Editing Form 940 (PR) (TY2005) Part IV.
The taxpayer has entered a negative figure in any quarter of the ROFTL fields,		Enter SIC 1 to the right margin next to the line that separates the entity information from the ABC Questions.

#

Figure 3.11.154-12 Correct Editing Form 940 (PR) (TY 2005) Part IV

3.11.154.9.7
(01-01-2017)
Schedule Indicator Code (SIC)

(1) The Schedule Indicator Code (SIC) is used to notify the computer that the Quarterly Federal Tax Liability for Unemployment Tax (ROFTL), Parte IV is incomplete or unnecessary. When the SIC 1 is edited, the computer will determine if a Federal Tax Deposit penalty should be assessed based on a quarterly average of the total liability for the year. The SIC code is edited in the right margin next to the line that separates the entity information from the ABC Questions.

(2) Edit SIC Code 1 when:

e. The ROFTL is blank.

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f.   There is a total in the ROFTL, but there are no Quarterly Liability
      Amounts present.

#
#
#
#

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                                                        Any line marked with a #
                                                        is for **Official Use Only**

Exhibit 3.11.154-1   (01-01-2025)
Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024)

DRAFT

TAX PERIOD

Form **940 for 2024:** **Employer's Annual Federal Unemployment (FUTA) Tax Return**   T   850113
Department of the Treasury — Internal Revenue Service
OMB No. 1545-0029

Employer identification number (EIN)   T

Name (not your trade name)   T

Trade name (if any)   T

Address   T
Number   Street   Suite or room number

T   T   T
City   State   ZIP code

T   T   T
Foreign country name   Foreign province/county   Foreign postal code

Type of Return
(Check all that apply.)

☐ **a.** Amended
☐ **b.** Successor employer
☐ **c.** No payments to employees in 2024
☐ **d.** Final: Business closed or stopped paying wages

Go to *www.irs.gov/Form940* for instructions and the latest information.

SIC   T

Read the separate instructions before you complete this form. Please type or print within the boxes.

Part 1:   **Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.**

1a   If you had to pay state unemployment tax in one state only, enter the state abbreviation .   **1a** T T

1b   If you had to pay state unemployment tax in more than one state, you are a multi-state employer . . . .   **1b** ☐ Check here. Complete Schedule A (Form 940).

2   If you paid wages in a state that is subject to CREDIT REDUCTION . . . .   **2** ☐ Check here. Complete Schedule A (Form 940).

Part 2:   **Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.**

3   Total payments to all employees . . . .   **3**   .

4   Payments exempt from FUTA tax . . . .   **4**   .

Check all that apply: **4a** ☐ Fringe benefits   **4c** ☐ Retirement/Pension   **4e** ☐ Other
4b ☐ Group-term life insurance   **4d** ☐ Dependent care

5   Total of payments made to each employee in excess of $7,000 . . . .   **5**

SRI   T

6   Subtotal (line 4 + line 5 = line 6) . . .   **RECEIVED DATE**   **6**   .

7   Total taxable FUTA wages (line 3 – line 6 = line 7). See instructions. . . . .   **7**   T   .

8   FUTA tax before adjustments (line 7 x 0.006 = line 8) . . . .   **8**   T   .

Part 3:   **Determine your adjustments. If any line does NOT apply, leave it blank.**

9   If ALL of the taxable FUTA wages you paid were excluded from state unemployment tax, multiply line 7 by 0.054 (line 7 x 0.054 = line 9). Go to line 12 . . . .   **9**   T   .

10   If SOME of the taxable FUTA wages you paid were excluded from state unemployment tax, OR you paid ANY state unemployment tax late (after the due date for filing Form 940), complete the worksheet in the instructions. Enter the amount from line 7 of the worksheet . .   **10**   T   .

11   If credit reduction applies, enter the total from Schedule A (Form 940) . . . .   **11**   T   .

Part 4:   **Determine your FUTA tax and balance due or overpayment. If any line does NOT apply, leave it blank.**

12   Total FUTA tax after adjustments (lines 8 + 9 + 10 + 11 = line 12) . . . .   **12**   T/C   .

13   FUTA tax deposited for the year, including any overpayment applied from a prior year   .   **13**   T   .

14   Balance due. If line 12 is more than line 13, enter the excess on line 14.
   • If line 14 is more than $500, you must deposit your tax.
   • If line 14 is $500 or less, you may pay with this return. See instructions . . . .   **14**   T/C   .

15   Overpayment. If line 13 is more than line 12, enter the excess on line 15 and check a box below   **15**   T/C   .

You **MUST** complete both pages of this form and **SIGN** it.   T   Check one: ☐ Apply to next return. ☐ Send a refund.

CCC

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.   Cat. No. 11234O   Form **940** (2024)

T   **ACTION CODE**

Cat. No. 33581C (11-15-2024)
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Internal Revenue Manual

33581901

Exhibit 3.11.154-1

Exhibit 3.11.154-1 (Cont. 1) (01-01-2025)
Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024)

DRAFT

850212

Name (not your trade name)	Employer identification number (EIN)
	—

Part 5:   Report your FUTA tax liability by quarter only if line 12 is more than $500. If not, go to Part 6.

16   Report the amount of your FUTA tax liability for each quarter; do NOT enter the amount you deposited. If you had no liability for a quarter, leave the line blank.

16a   **1st quarter** (January 1 – March 31) . . . .   16a   **T** .

16b   **2nd quarter** (April 1 – June 30) . . . .   16b   **T** .

16c   **3rd quarter** (July 1 – September 30) . . . .   16c   **T** .

16d   **4th quarter** (October 1 – December 31) . . . .   16d   **T/C** .

17   Total tax liability for the year (lines 16a + 16b + 16c + 16d = line 17) **17** .   Total must equal line 12.

Part 6:   May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

☐ **Yes.**   Designee's name and phone number

Select a 5-digit personal identification number (PIN) to use when talking to the IRS.   **T**

☐ **No.**

Part 7:   Sign here. You MUST complete both pages of this form and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that no part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments made to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here

Print your name here

Print your title here

Date   /   /

Best daytime phone

Paid Preparer Use Only   Check if you are self-employed ☐

Preparer's name		PTIN	**T**
Preparer's signature		Date	/ /
Firm's name (or yours if self-employed)		EIN	**T**
Address		Phone	**T**
City	State	ZIP code	

Page **2**   Form **940** (2024)

Exhibit 3.11.154-1   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
33581902   Any line marked with a #
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Exhibit 3.11.154-1 (Cont. 2) (01-01-2025)
Form 940 (Revision 2024) and Form 940 Schedule A (Revision 2024)

DRAFT

Schedule A (Form 940) for 2024:

Multi-State Employer and Credit Reduction Information

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Employer identification number (EIN) [ ][ ] – [ ][ ][ ][ ][ ][ ]

Name *(not your trade name)*

See the instructions on page 2. File this schedule with Form 940.

Place an "X" in the box of EVERY state in which you had to pay state unemployment tax this year. For each state with a credit reduction rate greater than zero, enter the FUTA taxable wages, multiply by the reduction rate, and enter the credit reduction amount. Don't include in the *FUTA Taxable Wages* box wages that were excluded from state unemployment tax (see the instructions for Step 2). If any states don't apply to you, leave them blank.

Postal Abbreviation	FUTA Taxable Wages	Reduction Rate		Postal Abbreviation	FUTA Taxable Wages	Reduction Rate	Credit Reduction
AK	.		.	NC	.		.
AL	.		.	ND	.		.
AR	.		.		.		.
AZ				NH			.
CA	.		.	NJ	.		.
CO	.		.		.		.
CT							.
DC	.		.	NY	.		.
DE	.		.	OH	.		.
FL	.		.	OK	.		.
GA	.		.		.		.
HI	.			PA			.
IA	.		.	RI	.		.
ID	.		.	SC	.		.
IL	.		.	SD	.		.
IN	.		.	TN	.		.
KS	.		.	TX	.		.
KY	.		.	UT	.		.
LA	.		.	VA	.		.
MA	.		.	VT	.		.
MD	.		.	WA	.		.
ME	.		.	WI	.		.
MI	.		.	WV	.		.
MN	.		.	WY	.		.
MO	.		.	PR	.		.
MS	.		.	VI	.		.
MT	.		.				

Total Credit Reduction. Add all amounts shown in the *Credit Reduction* boxes. Enter the total here and on Form 940, line 11 . . . .   [.]

For Paperwork Reduction Act Notice, see Page 2.   Cat. No. 16997C   Schedule A (Form 940) 2024

Cat. No. 33581C (11-15-2024)
Any line marked with a #
is for **Official Use Only**
Internal Revenue Manual
33581903
Exhibit 3.11.154-1

Exhibit 3.11.154-2 (01-01-2023)

Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022)

TAX PERIOD
T

Formulario **940-PR para 2022:** Planilla para la Declaración Federal Anual del Patrono de la Contribución Federal para el Desempleo (*FUTA*)
Department of the Treasury — Internal Revenue Service

OMB No. 1545-0028

Número de identificación patronal (*EIN***)** □□ – □□□□□□□ T

Clase de Planilla
(Marque todas las que le apliquen).

T **a.** Enmendada

T **b.** Patrono sucesor

Nombre (el nombre legal del negocio, no el nombre comercial) T

T **c.** Ningún pago hecho a los empleados en 2022

Nombre comercial (si existe) T

Dirección T

T **d.** Final: Se cerró el negocio o dejó de pagar salarios

Número   Calle   Número de oficina o de habitación

Visite *www.irs.gov/Form940PR* para obtener las instrucciones y la información más reciente.

T   T   T
Ciudad   Estado   Código postal (*ZIP*)

T   T   T
Nombre del país extranjero   Provincia extranjera/condado   Código postal extranjero

Lea las instrucciones por separado antes de completar este formulario. Escriba en letra de molde o a maquinilla dentro de los encasillados.

SIC
T

Parte 1: **Infórmenos sobre su planilla. Si NO le corresponde una línea, déjela en blanco. Vea las instrucciones antes de completar la Parte 1.**

1a Si tuvo que pagar la contribución estatal para el desempleo únicamente en Puerto Rico, escriba "PR" en los dos espacios siguientes . . . . 1a   T   T

1b Si tuvo que pagar la contribución estatal para el desempleo en más de un estado, usted es patrono en múltiples estados . . . . 1b T Marque aquí. Complete el Anexo A (Formulario 940-PR).

2 Si pagó salarios en un estado sujeto a la REDUCCIÓN EN EL CRÉDITO . . . . . . 2 T Marque aquí. Complete el Anexo A (Formulario 940-PR).

Parte 2: **Determine su contribución *FUTA* sin considerar ajustes. Si NO le corresponde una línea, déjela en blanco.**

3 Total de pagos hechos a todos sus empleados . . . . 3 [.]

4 Pagos exentos de la contribución *FUTA* . . . . 4 [.]

Marque todos los que le correspondan: **4a** □ Beneficios marginales   **4c** □ Retiro/Pensión   **4e** □ Otro
4b □ Seguro de vida colectivo a término   **4d** □ Cuidado para dependientes

SRI
T

5 Total de pagos hechos a cada ~~RECEIVED DATE~~ 5 [.]

6 **Subtotal** (línea 4 + línea 5 = línea 6) . . . . T . . . . 6 [.]

7 Total de salarios sujetos a la contribución *FUTA* (línea 3 - línea 6 = línea 7). Vea las instrucciones 7 [T .]

8 Total de la contribución *FUTA* antes de considerar los ajustes (línea 7 x 0.006 = línea 8) . 8 [T .]

Parte 3: **Determine sus ajustes. Si NO le corresponde una línea, déjela en blanco.**

9 Si el TOTAL de los salarios sujetos a la contribución *FUTA* que pagó fue excluido de la contribución estatal para el desempleo, multiplique la cantidad de la línea 7 por 0.054 (línea 7 x 0.054 = línea 9). Pase a la línea 12 9 [T .]

10 Si ALGUNOS salarios sujetos a la contribución *FUTA* que pagó fueron excluidos de la contribución estatal para el desempleo, O si pagó tarde ALGUNA PORCIÓN de la contribución estatal para el desempleo (después de la fecha límite para radicar el Formulario 940-PR), complete la hoja de trabajo en las Instrucciones para el Formulario 940, en inglés. Anote la cantidad de la línea 7 de la hoja de trabajo 10 [T .]

11 Si corresponde la reducción en el crédito, anote el total del Anexo A (Formulario 940-PR) . 11 [T .]

Parte 4: **Determine su contribución *FUTA* y saldo adeudado o cantidad pagada en exceso. Si NO le corresponde una línea, déjela en blanco.**

12 Total de su contribución *FUTA* después de considerar los ajustes (líneas 8 + 9 + 10 + 11 = línea 12) 12 [T/C .]

13 Contribución *FUTA* depositada para el año, incluyendo toda cantidad pagada en exceso aplicada de un año anterior . . . . 13 [T .]

14 Saldo adeudado. Si la línea 12 es mayor que la línea 13, anote el excedente en la línea 14.
• Si la línea 14 es más de $500, tiene que depositar la contribución.
• Si la línea 14 es $500 o menos, puede hacer su pago junto con esta planilla. Vea las instrucciones 14 [T/C .]

15 Cantidad pagada en exceso. Si la línea 13 es mayor que la línea 12, anote el excedente en la línea 15 y marque uno de los encasillados que aparecen a continuación . . . . . 15 [T/C .]

CCC
T

que uno: □ Aplíquese a la próxima planilla.
□ Envíe un reembolso.

TIENE que completar ambas páginas del Formulario 940-PR y luego **FIRMARLO**.

ACTION CODE
T

e Confidencialidad de Información y la Ley de Reducción de omprobante de Pago.

Cat. No. 16996R

Form **940-PR** (2022)

Exhibit 3.11.154-2 (Cont. 1) (01-01-2023)
Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022)

Nombre (el nombre legal del negocio, no el nombre comercial)

Número de identificación patronal (EIN)

_

Parte 5:	Informe su obligación contributiva para la contribución *FUTA* por trimestre sólo si la cantidad de la línea 12 es más de $500. Si no es así, pase a la Parte 6.

16 Informe su obligación contributiva para la contribución *FUTA* por cada trimestre; NO anote la cantidad que depositó. Si no adeudó ninguna contribución por cualquier trimestre, deje la línea en blanco.

16a **1er trimestre** (1 de enero - 31 de marzo) . . . . . 16a T .

16b **2do trimestre** (1 de abril - 30 de junio) . . . . . . 16b T .

16c **3er trimestre** (1 de julio - 30 de septiembre) . . . . 16c T .

16d **4to trimestre** (1 de octubre - 31 de diciembre) . . . 16d T/C .

17 Total de la obligación contributiva para el año (líneas **16a** + **16b** + **16c** + **16d** = línea **17**) . . . . 17 .   Este total tiene que ser igual al de la línea 12.

Parte 6:	¿Podemos hablar con su tercero autorizado?

¿Desea permitir que su empleado, preparador remunerado u otra persona hable sobre esta planilla con el *IRS*? Vea las instrucciones para más detalles.

☐T **Sí.**   Nombre y núm. de teléfono de la persona

Escoja un número de identificación personal (*PIN*) de 5 dígitos que se debe usar al hablar con el *IRS*. T ☐ ☐ ☐ ☐

☐ **No.**

Parte 7:	Firme aquí. TIENE que completar ambas páginas del formulario y FIRMARLO.

Bajo pena de perjurio, declaro que he examinado esta planilla, incluyendo todos los anexos y declaraciones adjuntos, y que, a mi leal saber y entender, es verídica, correcta y completa y que ninguna porción de los pagos hechos al fondo estatal de desempleo por la que reclamo crédito fue, ni será, deducida de los pagos hechos a mis empleados. La declaración del preparador (que no sea el contribuyente) está basada en toda información de la cual el preparador tiene conocimiento.

Firme su nombre aquí

Escriba su nombre en letra de molde aquí

Escriba su cargo en letra de molde aquí

Fecha / /

Mejor núm. de teléfono donde llamarlo durante el día

Para Uso Exclusivo del Preparador Remunerado

Marque aquí si trabaja por cuenta propia ☐

Nombre del preparador

PTIN T

Firma del preparador

Fecha / /

Nombre de la empresa (o el suyo, si trabaja por cuenta propia)

EIN T

Dirección

Núm. de teléfono T

Ciudad

Estado

Código postal (*ZIP*)

Página **2**

Form **940-PR** (2022)

Cat. No. 33581C (11-15-2024)
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Internal Revenue Manual

33581905

Exhibit 3.11.154-2

Exhibit 3.11.154-2 (Cont. 2) (01-01-2023)
Form 940 (PR) (Revision 2022) and Form 940 Schedule A (PR) (Revision 2022)

Anexo A (Formulario 940-PR) para 2022:

Información para Empleadores o Patronos de Múltiples Estados y sobre Reducciones en el Crédito

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0028

Número de identificación patronal (*EIN*)

Nombre (el nombre legal del negocio, no el nombre comercial)

Vea las instrucciones en la página **2**. Radique este anexo adjunto al Formulario 940-PR.

Marque una "X" en el recuadro para CADA estado en el cual tuvo que pagar contribuciones estatales de desempleo durante este año. Para cada estado con reducción en el crédito mayor que cero, anote el total de salarios sujetos a la contribución *FUTA*, multiplique por la tasa de reducción y anote la cantidad de la reducción en el crédito. No incluya en el encasillado titulado Salarios Sujetos a la Contribución *FUTA* los salarios que fueron excluidos de las contribuciones estatales de desempleo (vea las instrucciones para el Paso 2). Deje en blanco los estados que no le correspondan a usted.

Abreviatura Postal	Salarios Sujetos a la Contribución *FUTA*	Tasa de Reducción	Reducción en el Crédito	Abreviatura Postal	Salarios Sujetos a la Contribución *FUTA*	Tasa de Reducción	Reducción en el Crédito
AK	.		.	NC	.		.
AL	.		.	ND	.		.
AR	.		.	NE	.		.
AZ	.		.	NH	.		.
CA	.		.	NJ	.		.
CO	.		.	NM	.		.
CT	.		.	NV	.		.
DC	.		.	NY	.		.
DE	.		.	OH	.		.
FL	.		.	OK	.		.
GA	.		.	OR	.		.
HI	.		.	PA	.		.
IA	.		.	RI	.		.
ID	.		.	SC	.		.
IL	.		.	SD	.		.
IN	.		.	TN	.		.
KS	.		.	TX	.		.
KY	.		.	UT	.		.
LA	.		.	VA	.		.
MA	.		.	VT	.		.
MD	.		.	WA	.		.
ME	.		.	WI	.		.
MI	.		.	WV	.		.
MN	.		.	WY	.		.
MO	.		.	PR	.		.
MS	.		.	VI	.		.
MT	.		.				

Total de la reducción en el crédito. Sume todas las cantidades de los encasillados **Reducción en el Crédito**. Anote el total aquí y en la línea **11** del Formulario 940-PR . . . .

Para el Aviso sobre la Ley de Confidencialidad de Información y la Ley de Reducción de Trámites, vea las Instrucciones para el Formulario 940-PR.

Cat. No. 48499B

Schedule A (Form 940-PR) 2022

Exhibit 3.11.154-2

Internal Revenue Manual

33581906

Cat. No. 33581C (11-15-2024)
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Exhibit 3.11.154-3 (01-01-2025)
Form 940 (sp) (Revision 2024) and 940 Schedule A (sp) (Revision 2024)

DRAFT

TAX PERIOD T

Formulario **940 para 2024:** **Declaración del Impuesto Federal Anual del Empleador del Impuesto Federal para el Desempleo (FUTA)**

Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Número de identificación del empleador (EIN) [ ][ ] – [ ][T][ ][ ][ ][ ]

Nombre (el nombre legal del negocio, no el nombre comercial) [T]

Nombre comercial (si existe) [T]

Dirección [T]

Número   Calle   Número de oficina o de habitación

[T]   [T] [T]
Ciudad   Estado   Código postal (ZIP)

[T]   [T]   [T]
Nombre del país extranjero   Provincia extranjera/condado   Código postal extranjero

Clase de Declaración
(Marque todas las que le apliquen).

T a. Enmendada

T b. Empleador sucesor

T c. Ningún pago hecho a los empleados en 2024

T d. Final: Se cerró el negocio o dejó de pagar salarios

Visite www.irs.gov/Form940SP para obtener las instrucciones y la información más reciente.

Lea las instrucciones por separado antes de completar este formulario. Escriba en letra de molde o a máquina dentro de las casillas.

SIC T

Parte 1: Infórmenos sobre su declaración. Si NO le corresponde una línea, déjela en blanco. Vea las instrucciones antes de co

1a Si tuvo que pagar el impuesto estatal para el desempleo únicamente en un estado, escriba la abreviatura del estado . . . . 1a [T][T]

1b Si tuvo que pagar el impuesto estatal para el desempleo en más de un estado, usted es empleador en múltiples estados . . . . 1b [T] Marque aquí. Complete el Anexo A (Formulario 940).

2 Si pagó salarios en un estado sujeto a la REDUCCIÓN EN EL CRÉDITO . . . . . . 2 [T] Marque aquí. Complete el Anexo A (Formulario 940).

Parte 2: Determine su impuesto FUTA sin considerar ajustes. Si NO le corresponde una línea, déjela en blanco.

3 Total de pagos hechos a todos sus empleados . . . . [.]

4 Pagos exentos del impuesto FUTA . . . . 4 [.]

Marque todos los que le correspondan: 4a ☐ Prestaciones suplementarias 4c ☐ Retiro/Pensión 4e ☐ Otro
4b ☐ Seguro de vida colectivo a término 4d ☐ Cuidado para dependientes

RECEIVED DATE T

5 Total de pagos hechos a cada e 5 [.]

SRI T

6 Subtotal (línea 4 + línea 5 = línea 6) . . . . 6 [.]

7 Total de salarios sujetos al impuesto FUTA (línea 3 - línea 6 = línea 7). Vea las instrucciones 7 [T   .]

8 Impuesto FUTA antes de considerar los ajustes (línea 7 x 0.006 = línea 8) . . . . . 8 [T   .]

Parte 3: Determine sus ajustes. Si NO le corresponde una línea, déjela en blanco.

9 Si el TOTAL de los salarios sujetos al impuesto FUTA que pagó fue excluido del impuesto estatal para el desempleo, multiplique la cantidad de la línea 7 por 0.054 (línea 7 x 0.054 = línea 9). Pase a la línea 12 9 [T   .]

10 Si ALGUNOS salarios sujetos al impuesto FUTA que pagó fueron excluidos del impuesto estatal para el desempleo, O si pagó tarde ALGUNA PORCIÓN del impuesto estatal para el desempleo (después de la fecha de vencimiento para presentar el Formulario 940), complete la hoja de trabajo en las instrucciones. Anote la cantidad de la línea 7 de la hoja de trabajo . . 10 [T   .]

11 Si corresponde la reducción en el crédito, anote el total del Anexo A (Formulario 940) . . 11 [T   .]

Parte 4: Determine su impuesto FUTA y saldo adeudado o cantidad pagada en exceso. Si NO le corresponde una línea, déjela en blanco.

12 Total de su impuesto FUTA después de considerar los ajustes (líneas 8 + 9 + 10 + 11 = línea 12) 12 [T/C   .]

13 Impuesto FUTA depositado para el año, incluyendo toda cantidad pagada en exceso aplicada de un año anterior . . . . 13 [T   .]

14 Saldo adeudado. Si la línea 12 es mayor que la línea 13, anote el excedente en la línea 14.
• Si la línea 14 es más de $500, tiene que depositar el impuesto.
• Si la línea 14 es $500 o menos, puede hacer su pago junto con esta declaración. Vea las instrucciones 14 [T/C   .]

15 Cantidad pagada en exceso. Si la línea 13 es mayor que la línea 12, anote el excedente en la línea 15 y marque uno de los recuadros que aparecen a continuación . . . . 15 [T/C   .]

CCC T

que uno: ☐ Apliquese a la próxima declaración. ☐ Envíe un reembolso.

TIENE que completar ambas páginas de este formulario y luego **FIRMARLO**.

e Confidencialidad de Información y la Ley de Reducción de nes por separado.

Cat. No. 93762Z   Form **940 (sp)** (2024)

ACTION CODE T

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **Exhibit 3.11.154-3**
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Exhibit 3.11.154-3 (Cont. 1) (01-01-2025)
Form 940 (sp) (Revision 2024) and 940 Schedule A (sp) (Revision 2024)

DRAFT

Nombre (el nombre legal del negocio, no el nombre comercial)

Número de identificación del empleador (*EIN*)

–

Parte 5: Informe su obligación tributaria para el impuesto *FUTA* por trimestre sólo si la cantidad de la línea 12 es más de $500. Si no es así, pase a la Parte 6.

16 Informe la cantidad de su obligación tributaria para el impuesto *FUTA* por cada trimestre; NO anote la cantidad que depositó. Si no adeudó ningún impuesto por cualquier trimestre, deje la línea en blanco.

16a **1er trimestre** (1 de enero - 31 de marzo) . . . . .   16a   **T .**

16b **2do trimestre** (1 de abril - 30 de junio) . . . . . .   16b   **T**

16c **3er trimestre** (1 de julio - 30 de septiembre) . . . .   16c   **T .**

16d **4to trimestre** (1 de octubre - 31 de diciembre) . . .   16d   **T/C .**

17 Total de la obligación tributaria para el año (líneas 16a + 16b + 16c + 16d = línea 17)   17   **.**   El total tiene que ser igual a la línea 12.

Parte 6: ¿Podemos hablar con su tercero autorizado?

¿Desea permitir que un empleado, un preparador remunerado u otra persona hable sobre esta declaración con el *IRS*? Vea las instrucciones para más detalles.

T ☐ **Sí.**   Nombre y núm. de teléfono de la persona

Escoja un número de identificación personal (*PIN*) de 5 dígitos que se debe usar al hablar con el *IRS*.   **T** ☐ ☐ ☐ ☐

☐ **No.**

Parte 7: Firme aquí. TIENE que completar ambas páginas de este formulario y FIRMARLO.

Bajo pena de perjurio, declaro que he examinado esta declaración, incluyendo todos los anexos y declaraciones adjuntos, y que, a mi leal saber y entender, es verídica, correcta y completa y que ninguna porción de los pagos hechos al fondo estatal de desempleo por la que reclamo crédito fue, ni será, deducida de los pagos hechos a mis empleados. La declaración del preparador (que no sea el contribuyente) está basada en toda información de la cual el preparador tiene conocimiento.

Firme su nombre aquí

Escriba su nombre en letra de molde aquí

Escriba su cargo en letra de molde aquí

Fecha   /   /

Mejor núm. de teléfono donde llamarlo durante el día

Para Uso Exclusivo del Preparador Remunerado   Marque aquí si trabaja por cuenta propia ☐

Nombre del preparador

PTIN   **T**

Firma del preparador

Fecha   /   /

Nombre de la empresa (o el suyo, si trabaja por cuenta propia)

EIN   **T**

Dirección

Núm. de teléfono   **T**

Ciudad   Estado   Código postal (*ZIP*)

Página **2**   Form **940 (sp)** (2024)

Exhibit 3.11.154-3 (Cont. 2) (01-01-2025)
Form 940 (sp) (Revision 2024) and 940 Schedule A (sp) (Revision 2024)

DRAFT

Anexo A (Formulario 940) para 2024:

Información de Empleadores de Múltiples Estados y sobre Reducciones en el Crédito

OMB No. 1545-0029

Department of the Treasury — Internal Revenue Service

Número de identificación del empleador (EIN)

☐☐ – ☐☐☐☐☐☐☐

Nombre (el nombre legal del negocio, no el nombre comercial)

Vea las instrucciones en la página **2**. Presente este anexo adjunto al Formulario 940.

Marque una "X" en el recuadro para CADA estado en el cual tuvo que pagar impuestos estatales de desempleo durante este año. Para cada estado con reducción en el crédito mayor de cero, anote el total de salarios sujetos al impuesto *FUTA*, multiplique por la tasa de reducción y anote la cantidad de la reducción en el crédito. No incluya en el encasillado titulado Salarios Sujetos al Impuesto *FUTA* los salarios que fueron excluidos de los impuestos estatales de desempleo (vea las instrucciones para el Paso 2). Deje en blanco los estados que no le correspondan a usted.

Abreviatura Postal	Salarios Sujetos al Impuesto *FUTA*	Tasa de Reducción	Reducción en el Crédito	Abreviatura Postal	Salarios Sujetos al Impuesto *FUTA*	Tasa de Reducción	Reducción en el Crédito
☐ AK	.		.	☐ NC	.		.
☐ AL	.		.	☐ ND	.		.
☐ AR	.		.	☐ NE	.		.
☐ AZ	.		.	☐ NH	.		.
☐ CA	.		.	☐ NJ	.		.
☐ CO	.		.	☐ NM	.		.
☐ CT	.		.	☐ NV	.		.
☐ DC	.		.	☐ NY	.		.
☐ DE	.		.	☐ OH	.		.
☐ FL	.		.	☐ OK	.		.
☐ GA	.		.	☐ OR	.		.
☐ HI	.		.	☐ PA	.		.
☐ IA	.		.	☐ RI	.		.
☐ ID	.		.	☐ SC	.		.
☐ IL	.		.	☐ SD	.		.
☐ IN	.		.	☐ TN	.		.
☐ KS	.		.	☐ TX	.		.
☐ KY	.		.	☐ UT	.		.
☐ LA	.		.	☐ VA	.		.
☐ MA	.		.	☐ VT	.		.
☐ MD	.		.	☐ WA	.		.
☐ ME	.		.	☐ WI	.		.
☐ MI	.		.	☐ WV	.		.
☐ MN	.		.	☐ WY	.		.
☐ MO	.		.	☐ PR	.		.
☐ MS	.		.	☐ VI	.		.
☐ MT	.		.				

Total de la reducción en el crédito. Sume todas las cantidades de los encasillados **Reducción en el Crédito.** Anote el total aquí y en la línea **11** del Formulario 940 . . . .

.

Para la Ley de Reducción de Trámites, vea la página 2.

Cat. No. 93763K

Schedule A (Form 940) (sp) 2024

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Exhibit 3.11.154-3

Exhibit 3.11.154-4   (01-01-2024)
Form 940 Conversion Table - Revision 2023 - 2012 and 2010 - 2006

2023 - 2012 and 2010 - 2006 Revisions - Part 2

Part 2 Line Name	Part 2 Line Number
Total Taxable FUTA Wages	7

2023 - 2012 and 2010 - 2006 Revisions - Part 3

Part 3 Line Name	Part 3 Line Number
If Credit Reduction applies, enter the total from Form 940 Schedule A.	11

2023 - 2012 and 2010 - 2006 Revisions - Part 4

Part 4 Line Name	Part 4 Line Number
Total FUTA Tax After Adjustments	12
FUTA tax deposited for the year	13
Balance Due	14
Overpayment	15

2023 - 2012 and 2010 - 2006 Revisions - Part 5

Part 5 Line Name	Part 5 Line Number
FUTA Tax Liability- 1st Quarter	16a
FUTA Tax Liability- 2nd Quarter	16b
FUTA Tax Liability- 3rd Quarter	16c
FUTA Tax Liability- 4th Quarter	16d

2005 - 2003 Revisions - Part I

Part 2 Line Name	Part 2 Line Number	2005 Part I Line Number	2004 Part I Line Number	2003 - 2002 Part I Line Number
Total Taxable FUTA Wages	7	5	5	5

Exhibit 3.11.154-4   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)

Exhibit 3.11.154-4 (Cont. 1) (01-01-2024)
Form 940 Conversion Table - Revision 2023 - 2012 and 2010 - 2006

2005 - 2003 Revisions - Part I

Part 3 Line Name	Part 3 Line Number	2005 Part I Line Number	2004 Part I Line Number	2003 - 2002 Part I Line Number
If Credit Reduction applies, enter the total from Form 940 Schedule A	11	7	6	N/A

2005 - 2003 Revisions - Part II

Part 4 Line Name	Part 4 Line Number	2005 Part II Line Number	2004 Part II Line Number	2003 - 2002 Part II Line Number
Total FUTA Tax After Adjustments	12	7	7	7
FUTA tax deposited for the year	13	8	8	8
Balance Due	14	9	9	9
Overpayment	15	10	10	10

2005 - 2003 Revisions - Part III

Part 5 Line Name	Part 5 Line Number	2005 Part III Line Number	2004 Part III Line Number	2003 - 2002 Part III Line Number
FUTA Tax Liability-1st Quarter	16a	First	First	First
FUTA Tax Liability-2nd Quarter	16b	Second	Second	Second
FUTA Tax Liability-3rd Quarter	16c	Third	Third	Third
FUTA Tax Liability-4th Quarter	16d	Fourth	Fourth	Fourth

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Exhibit 3.11.154-4

Exhibit 3.11.154-5   (01-01-2025)
Form 940-EZ (Obsolete) Conversion Table

Line Item Description	Form 940-EZ Line Number	Current Form 940 Line Numbers	Transcription Line
Contributions Paid to State Unemployment Fund	A	Not Applicable	NO
Name of State Where Contributions are Paid	B(1)	1a	Yes
Total Payments to Employees	1	3	NO
Exempt Payments	2	4	NO
Payments of More than $7,000	3	5	NO
Add Lines 2 and 3	4	6	NO
Total Taxable Wages	5	7	Yes
FUTA Tax	6	12	Yes
Total FUTA Tax Deposited	7	13	Yes
Balance Due	8	14	Yes
Overpayment	9	15	Yes
First Quarter Liability	First Box in Part II	16a	Yes
Second Quarter Liability	Second Box in Part II	16b	Yes
Third Quarter Liability	Third Box in Part II	16c	Yes
Fourth Quarter Liability	Fourth Box in Part II	16d	Yes

Exhibit 3.11.154-5   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
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Exhibit 3.11.154-6   (11-07-2017)
Form 940 (PR) Conversion Table (2005 and Prior)

Parte I - Computo De Salarios Sujetos A La Contribucion

Line Name	Parte I Line number	Current Year Parte II Line Number Conversion
Total de Salarios a la contribucion	5	7

Parte II - Contribucion Adeudada O Reembolso

Line Name	Parte II Line number	Current Year Part IV Line Number Conversion
Contribucion federal bruta el desempleo	1	12
Menos El total de la contribucion	2	13
Balance adedado	3	14
Cantidad pegada de mais	4	15

Parte III - Contribucion Adeudada O Reembolso

Line Name	Parte III Line number	Current Year Line Number Conversion
Totales	3a	Box 1a, Parte I
Contribucion federal para el desemplo total	7	12, Parte IV
Total de la contribucion federal para desempleo depositada para el ano	8	13, Parte IV
Balance adedado	9	14, Parte IV
Cantidad pegada de mais	10	15, Parte IV

Parte IV - Registero De La Obligacio Trimestral

Line Name	Parte IV Line number	Current Year Parte V Line Number Conversion
Primero Obilgacion contribucion pare el trimestre	Primero	16a
Segundo Obilgacion contribucion pare el trimestre	Segundo	16b
Tercero Obilgacion contribucion pare el trimestre	Tercero	16c

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Exhibit 3.11.154-6

Exhibit 3.11.154-6 (Cont. 1) (11-07-2017)
Form 940 (PR) Conversion Table (2005 and Prior)

Line Name	Parte IV Line number	Current Year Parte V Line Number Conversion
Cuarto Obilgacion contribucion pare el trimestre	Cuarto	16d

Exhibit 3.11.154-7   (01-01-2017)
State Abbreviations

State Code	State	State Code	State
AL	Alabama	MT	Montana
AK	Alaska	NE	Nebraska
AZ	Arizona	NV	Nevada
AR	Arkansas	NH	New Hampshire
CA	California	NJ	New Jersey
CO	Colorado	NM	New Mexico
CT	Connecticut	NY	New York
DC	District of Columbia	NC	North Carolina
DE	Delaware	ND	North Dakota
FL	Florida	OH	Ohio
GA	Georgia	OK	Oklahoma
HI	Hawaii	OR	Oregon
ID	Idaho	PA	Pennsylvania
IL	Illinois	RI	Rhode Island
IN	Indiana	SC	South Carolina
IA	Iowa	SD	South Dakota
KS	Kansas	TN	Tennessee
KY	Kentucky	TX	Texas
LA	Louisiana	UT	Utah
ME	Maine	VT	Vermont
MD	Maryland	VA	Virginia
MA	Massachusetts	WA	Washington
MI	Michigan	WV	West Virginia
MN	Minnesota	WI	Wisconsin
MS	Mississippi	WY	Wyoming
MO	Missouri	*ZZ	Used for Zero Liability Tax in Credit Reduction State(s) only

Cat. No. 33581C (11-15-2024)   Internal Revenue Manual   **Exhibit 3.11.154-7**
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Exhibit 3.11.154-8 (01-01-2017)
Entity State Codes and ZIP Codes

State Code	State	ZIP Code
AA	America-Atlantic	34001
AE	America-Europe	09001
AP	America-Pacific	96201
AL	Alabama	35001
AK	Alaska	99501
AZ	Arizona	85001
AR	Arkansas	71601
CA	California	90001
CO	Colorado	80001
CT	Connecticut	06001
DC	District of Columbia	20001
DE	Delaware	19701
FL	Florida	32001
GA	Georgia	30001
HI	Hawaii	96701
ID	Idaho	83201
IL	Illinois	60001
IN	Indiana	46001
IA	Iowa	50001
KS	Kansas	66001
KY	Kentucky	40001
LA	Louisiana	70001
ME	Maine	03901
MD	Maryland	20601
MA	Massachusetts	01001
MI	Michigan	48001
MN	Minnesota	55001
MS	Mississippi	38601
MO	Missouri	63001
MT	Montana	59001

Exhibit 3.11.154-8   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
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Exhibit 3.11.154-8 (Cont. 1) (01-01-2017)
Entity State Codes and ZIP Codes

State Code	State	ZIP Code
NE	Nebraska	68001
NV	Nevada	88901
NH	New Hampshire	03001
NJ	New Jersey	07001
NM	New Mexico	87001
NY	New York	00501
NC	North Carolina	27001
ND	North Dakota	58001
OH	Ohio	43001
OK	Oklahoma	73001
OR	Oregon	97001
PA	Pennsylvania	15001
RI	Rhode Island	02801
SC	South Carolina	29001
SD	South Dakota	57001
TN	Tennessee	37001
TX	Texas	75001
UT	Utah	84001
VT	Vermont	05001
VA	Virginia	20101
WA	Washington	98001
WV	West Virginia	24701
WI	Wisconsin	53001
WY	Wyoming	82001

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Exhibit 3.11.154-9 (01-01-2017)
U.S. Possession ZIP Codes

American Samoa (AS)

American Samoa (AS) City	American Samoa (AS) ZIP Code
Faga'itua	96799
Leone	96799
Olosega Manua'	96799
Pago Pago	96799

Federated States of Micronesia (FM):

Federated States of Micronesia (FM) City	Federated States of Micronesia (FM) ZIP Code
Chuuk	96942
Kosrae	96944
Pohnpei	96941
Yap	96943

Guam (GU)

Guam (GU) City	Guam (GU) ZIP Code
Agana	96910
Inarajan	96917
Merizo	96916
Tamuning	96931
Umatac	96915
Yona	96915

Marshall Islands (MH)

Marshall Islands (MH) City	Marshall Islands (MH) ZIP Code
Ebeye	96970
Majuro	96960

Northern Mariana Islands (MP)

Northern Mariana Islands (MP) City	Northern Mariana Islands (MP) ZIP Code
Capitol Hill	96950
Rota	96951
Saipan	96950

Exhibit 3.11.154-9   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)
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Exhibit 3.11.154-9 (Cont. 1) (01-01-2017)
U.S. Possession ZIP Codes

Northern Mariana Islands (MP) City	Northern Mariana Islands (MP) ZIP Code
Tinian	96952

Palau (PW)

Palau (PW) City	Palau (PW) ZIP Code
Koror	96940
Palau	96940

U. S. Virgin Islands (VI)

U. S. Virgin Islands (VI) City	U. S. Virgin Islands (VI) ZIP Code
Charlotte Amalie	00802
Christiansted	00820
Cruz Bay	00830
Downtown	00840
Frederiksted	00840
Kingshill	00850
Saint Croix	00820
Saint John	00830
Saint Thomas	00805
Sunny Isle	00850
Veterans Annex	00820

Puerto Rico (PR)

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Adjuntas	00601
Aquada	00602
Aquadilla	00603
Aguas Buenas	00703
Aguirre	00704
Aibonito	00705
Añasco	00610
Angeles	00611
Arecibo	00612

Exhibit 3.11.154-9 (Cont. 2) (01-01-2017)
U.S. Possession ZIP Codes

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Arroyo	00714
Bajadero	00616
Barceloneta	00617
Barraquitas	00794
Barrio Obrero Station	00935
Bayamon	00956
Boqueron	00622
Cabo Rojo	00623
Caguas	00725
Camuy	00627
Canovanas	00729
Caparra Heights	00920
Carolina	00982
Catano	00962
Cayey	00736
Ceiba	00735
Cerro Gordo	00754
Ciales	00638
Cidra	00739
Coamo	00769
Comerio	00782
Condado	00907
Corozal	00783
Coto Laurel	00780
Culebra	00775
Dorado	00646
Ensenada	00647
Esperanza	00765
Fajardo	00738
Fernandez Juncos	00936
Florida	00650

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Exhibit 3.11.154-9 (Cont. 3) (01-01-2017)
U.S. Possession ZIP Codes

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Fort Buchanan	00934
Garrachales	00652
Guanica	00653
Guayama	00784
Guayanilla	00656
Guaynabo	00965
Gurabo	00778
Hatillo	00659
Hato Rey	00936
Hormigueros	00660
Humacao	00791
Isabela	00662
Jayuya	00664
Juana Diaz	00795
Juncos	00777
La Cumbre	00926
Lajas	00667
Laplata	00786
Lares	00669
Las Marias	00670
Las Piedras	00771
Levittown	00949
Loiza	00772
Loiza Street Station	00936
Luquillo	00773
Manati	00674
Maricao	00606
Maunabo	00707
Mayaquez	00680
Mercedita	00715
Minillas Center	00936

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Exhibit 3.11.154-9 (Cont. 4) (01-01-2017)
U.S. Possession ZIP Codes

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Moca	00676
Morovis	00687
Naguabo	00718
Naranjito	00719
Orocovis	00720
Palmer	00721
Patillas	00723
Penuelas	00624
Ponce	00731
Puerta de Tierra	00936
Puerta Real	00740
Punta Santiago	00741
Quebradillas	00678
Ramey	00603
Rincon	00677
Rio Blanco	00744
Rio Grande	00721
Rio Piedras	00927
Rosario	00636
Sabana Grande	00637
Sabana Hoyos	00688
Sabana Seca	00952
Saint Just	00978
Salinas	00751
San Antonio	00690
San Francisco	00927
San German	00683
San Juan	00936
San Lorenzo	00754
San Sebastian	00685
Santa Isabel	00757

Exhibit 3.11.154-9   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)

Exhibit 3.11.154-9 (Cont. 5) (01-01-2017)
U.S. Possession ZIP Codes

Puerto Rico (PR) City	Puerto Rico (PR) ZIP Code
Santurce	00936
Toa Alta	00953
Toa Boa	00949
Trujillo Alto	00976
University	00936
Utuado	00641
Vega Alta	00692
Vega Baja (box 1-9049)	00694
Vieques	00765
Villalba	00766
Yabucoa	00767
Yauco	00698

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Exhibit 3.11.154-10   (01-01-2017)
Province, Foreign State and Territory Abbreviations

Australia State

Australia State	Abbreviation
Australian Capital Territory	ACT
New South Wales	NSW
Northern Territory	NT
Queensland	QLD
South Australia	SA
Tasmania	TAS
Victoria	VIC
Western Australia	WA

Brazil State

Brazil State	Abbreviation
Acre	AC
Alagoas	AL
Amapa	AP
Amazonas	AM
Bahia	BA
Ceara	CE
Distrito Federal	DF
Esperito Santo	ES
Goias	GO
Maranhao	MA
Mato Grosso	MT
Mato Grosso do Sul	MS
Minas Gerais	MG
Parana	PR
Paraiba	PB
Para	PA
Pernambuco	PE
Piaui	PI
Rio Grande do Norte	RN

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Exhibit 3.11.154-10 (Cont. 1) (01-01-2017)
Province, Foreign State and Territory Abbreviations

Brazil State	Abbreviation
Rio Grande do Sul	RS
Rio de Janeiro	RJ
Rondonia	RO
Roraima	RR
Santa Catarina	SC
Sergipe	SE
Sao Paulo	SP
Tocantins	TO

Canada Provinces/Territories

Canada Provinces/Territories	Abbreviation	Country Code
Alberta	AB	XA
British Columbia	BC	XB
Manitoba	MB	XM
New Brunswick	NB	XN
Newfoundland and Labrador	NL	XL
Northwest Territories	NT	XT
Nova Scotia	NS	XS
Nunavut	NU	XV
Ontario	ON	XO
Prince Edward Island	PE	XP
Quebec	QC	XQ
Saskatchewan	SK	XW
Yukon	YT	XY

Cuba Provinces

Cuba Provinces	Abbreviation
Camaguey	CG
Ciego de Avila	CA
Cienfuegos	CF
Ciudad di La Habana	CH

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Exhibit 3.11.154-10

Exhibit 3.11.154-10 (Cont. 2) (01-01-2017)
Province, Foreign State and Territory Abbreviations

Cuba Provinces	Abbreviation
Gramma (Bayamo)	GR
Guantanamo	GT
Holguin	HO
La Habana	HA
Matazas	MT
Municipio Especial Isla de la Juventud	IJ
Pinar del Rio	PR
Sancti Spiritus	SS
Santiago de Cuba	SC
(Victoria de) Las Tunas	LT
Villa Clara	VC

Italy Provinces

Italy Provinces	Abbreviation
Agrigento	AG
Alessandria	AL
Ancona	AN
Aosta/Aoste	AO
Arezzo	AR
Ascoli Piceno	AP
Asti	AT
Bari	BA
Belluna	BL
Beneveto	BN
Bergamo	BG
Biella	BI
Bologna	BO
Bolozano Bolzen	BZ
Brescia	BS
Brindisi	BR
Cagliari	CA

Exhibit 3.11.154-10 (Cont. 3) (01-01-2017)
Province, Foreign State and Territory Abbreviations

Italy Provinces	Abbreviation
Caltanisetta	CL
Campobasso	CB
Caserta	CE
Catania	CT
Catanzaro	CZ
Chieti	CH
Como	CO
Cosenza	CS
Cremona	CZ
Crotone	KR
Cuneo	CN
Enna	EN
Ferrara	FE
Firenze	FI
Foggia	FG
Forli	FO
Frosinone	FR
Genova	GE
Gorizia	GO
Grosseto	GR
Imperia	IM
Isernia	IS
L'Aquila	AQ
La Spezia	SP
Latina	LT
Lecce	LE
Livorno	LI
Lodi	LO
Lucca	LU
Macerata	MC
Mantova	MN

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Internal Revenue Manual

Exhibit 3.11.154-10

Exhibit 3.11.154-10 (Cont. 4) (01-01-2017)
Province, Foreign State and Territory Abbreviations

Italy Provinces	Abbreviation
Massa-Carrara	MS
Matera	MT
Messina	ME
Milano	MI
Modena	MO
Napoli	NA
Novara	NO
Nuoro	NU
Oristano	OR
Padova	PD
Palermo	PA
Parma	PR
Pavia	PV
Perugia	PG
Pesaro-Urbino	PS
Pescara	PE
Piacenza	PC
Pisa	PI
Pistoia	PT
Pordenone	PN
Potenza	PZ
Prato	PO
Ragusa	RG
Pavenna	RA
Peggio de Calabria	RC
Reggio nell'Emilia	RE
Rieti	RI
Rimini	RN
Roma	RM
Rovigo	RO
Salerno	SA

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Exhibit 3.11.154-10 (Cont. 5) (01-01-2017)
Province, Foreign State and Territory Abbreviations

Italy Provinces	Abbreviation
Sassari	SS
Savona	SV
Siena	SI
Siracusa	SR
Sondrio	SO
Taranto	TA
Teramo	TE
Terni	TR
Torino	TO
Trapani	TO
Trento	TN
Treviso	TV
Trieste	TS
Udine	UD
Varese	VA
Venezia	VE
Verbania	VB
Vercelli	VC
Verona	VR
Vibo Valentia	VV
Vincenza	VI
Viterbo	VT

Mexico State

Mexico State	Abbreviation
Aguascalientes	AGS
Baja California Norte	BCN
Baja California Sur	BCS
Campeche	CAM
Chiapas	CHIS
Chihuahua	CHIH

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Exhibit 3.11.154-10 (Cont. 6) (01-01-2017)
Province, Foreign State and Territory Abbreviations

Mexico State	Abbreviation
Coahuila	COAH
Colima	COL
Distrito Federal	DF
Durango	DGO
Guanajuato	GTO
Guerrero	GRO
Hidalgo	HGO
Jalisco	JAL
Mexico	MEX
Michoacan	MICH
Morelos	MOR
Nayarit	NAY
Nuevo Leon	NL
Oaxaca	OAX
Puebla	PUE
Queretaro	QRO
Quintana ROO	QROO
San Luis Potosi	SLP
Sinaloa	SIN
Sonora	SON
Tabasco	TAB
Tamaulipas	TAMPS
Tlaxcala	TLAX
Veracruz	VER
Yucatan	YUC
Zacatecas	ZAC

The Netherlands Provinces

The Netherlands Provinces	Abbreviation
Drenthe	DR
Flevoland	FLD

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Exhibit 3.11.154-10 (Cont. 7) (01-01-2017)
Province, Foreign State and Territory Abbreviations

The Netherlands Provinces	Abbreviation
Friesland	FR
Gelderland	GLD
Groningen	GN
Lemburg	LB
North Brabant	NB
North Holland	NH
Overijssel	OV
South Holland	ZH
Utrecht	UT
Zeeland	SLD

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Exhibit 3.11.154-11   (01-01-2017)
Action Code Chart

Function Codes and Descriptions

Function Code	Function Description
CE	Code and Edit
EC	Error Correction
S	Suspense Correction
GEN	Computer Generated

Input Document

Action Code	Description	Workday Suspense Period	Function Used In
001	Input Document	0	GEN

Correspondence

Action Code	Description	Workday Suspense Period	Function Used In
210	EPMF (Employee Master Plan File) Correspondence	60	EC, S
211	First Taxpayer Correspondence	40	CE, EC, S
212	Second Taxpayer Correspondence	25	CE, EC, S
213	Correspondence to Other Than Taxpayer	40	CE, EC, S
215	International Correspondence	45	CE, EC, S
225	Signature Only	40	CE, EC, S
226	Signature Only (International)	40	CE, EC, S

In House Research

Action Code	Description	Workday Suspense Period	Function Used In
300	Examination (Fuel Tax Credit	10	CE, EC, S
310	Statute Control	10	CE, EC, S
320	Entity Control	10	CE, EC, S

Criminal Investigation Division

Action Code	Description	Workday Suspense Period	Function Used In
331	Frivolous Review	3	CE, EC

Exhibit 3.11.154-11   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)

Exhibit 3.11.154-11 (Cont. 1) (01-01-2017)
Action Code Chart

Action Code	Description	Workday Suspense Period	Function Used In
332	QRDT (Questionable Refund Detection Team) Review	3	CE, EC
333	Prompt Audit	10	CE, EC, S
334	Joint Committee	10	CE, EC, S
335	Frivolous Case	10	CE, EC, S
336	QRDT Case	10	CE, EC, S
337	Other CID (Criminal Investigation Division)	10	CE, EC, S

Accounting

Action Code	Description	Workday Suspense Period	Function Used In
341	Manual Refund	10	CE, EC, S
342	Credit Verification	10	CE, EC, S
343	Other Accounting	10	CE, EC, S
344	Manual Refund (ERS)	0	EC

MFTRA Research

Action Code	Description	Workday Suspense Period	Function Used In
351	TIN Research	0	EC, S
352	Name Research	3	CE, EC, S
353	Address Research	3	CE, EC, S
354	Filing Requirement Research	3	CE, EC, S
355	Other MFTRA Research	5	CE, EC, S
360	Other In-House Research	10	CE, EC, S
370	Examination	10	CE, EC, S

Management Suspense

Action Code	Description	Workday Suspense Period	Function Used In
410	Assistance Needed	0	EC
420	Management Suspense A	5	CE, EC, S
430	Management Suspense B	10	CE, EC, S

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Exhibit 3.11.154-11 (Cont. 2) (01-01-2017)
Action Code Chart

Action Code	Description	Workday Suspense Period	Function Used In
450	Management Suspense D	20	CE, EC, S
460	Management Suspense E	25	CE, EC, S
470	Complex Error Code	0	EC
480	Early Filed Suspense	150	CE, EC, S
490	System Problem	5	CE, EC, S

Missing Document

Action Code	Description	Workday Suspense Period	Function Used In
510	Missing Document	0	CE
511	Missing Document- 1st Suspense	25	EC, S
512	Missing Document- 2nd Suspense	20	S
513	Missing Document- 3rd Suspense	20	S
515	Missing Document- Short Term	5	EC, S

Magnetic Tape

Action Code	Description	Workday Suspense Period	Function Used In
550	Magnetic Tape Return- Check for Attachments	0	CE
551	Magnetic Tape Return- Inconsistent Data	0	CE

Rejects

Action Code	Description	Workday Suspense Period	Function Used In
610	Renumber - Non-Remit	0	CE, EC
611	Renumber - Remit	0	CE, EC
620	NMF/Non-ADP	0	CE, EC
630	Reinput	0	EC, S
640	Void	0	CE, EC, S
650	International	0	CE, EC, S
660	Data Control Delete -TEP (Team Exam Program)	0	S

Exhibit 3.11.154-11   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)

Exhibit 3.11.154-11 (Cont. 3) (01-01-2017)
Action Code Chart

Action Code	Description	Workday Suspense Period	Function Used In
670	Rejected Missing Document	0	S

Duplicate DLN

Action Code	Description	Workday Suspense Period	Function Used In
700	Duplicate Block DLN	0	GEN
711	Duplicate Document DLN from Code and Edit	0	GEN
712	Duplicate Document from Error Correction	0	GEN
713	Duplicate Document from Unpostables	0	GEN
714	Duplicate Document from Unworkable Suspense	0	GEN
715	Duplicate Document from Workable Suspense	0	GEN
800	NAP (National Account Profile) Linkage Problem	2	EC, S
900	Unpostable Record	0	GEN

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Exhibit 3.11.154-12   (01-01-2023)
◆**Potential Frivolous Arguments for Examination Review**◆

Potential Frivolous Arguments	Description
Alleged Churches/First Amendment	Income from non-religious sources and may claim a vow of poverty.
Altered Form	Altering any or all line items with the intent of facilitating non-compliance with the tax laws.
Altered Jurat/UCC (Uniform Commercial Code) 1-207 or UCC 1-308	Return has income and deductions but the jurat is altered or stricken. May include reference to UCC 1-207 / UCC 1-308 or a statement that the return is not signed under penalties of perjury.
Amended Returns/Form 843	Amended return or a Form 843 filed to obtain a total refund of all taxes paid in prior years, based on a tax avoidance argument.
C-Filings	This frivolous position includes the following four categories: a. Files a return claiming several types of deductions, credits, or overpayments/refunds that have no relation to reality and because of their outrageous character, qualify as frivolous returns. b. Files a return containing the filers identifying information but does not request a refund, often lacking sufficient information to determine a tax liability. c. Files a return with several types of rambling dialogue or confusing arguments that no one could reasonably view as a good faith try to follow the law. d. Files a return that attempts to send some type of message or protest to the IRS, but does not include sufficient identifying information for the IRS to either determine the identity of the taxpayer or correspondent or return address.
Challenges to Authority/Due Process	Questions several administrative authorities such as delegation orders, summons authority, Privacy Act, etc. Argues that they must be afforded a hearing or a trial before taxes can be assessed or before property can be seized.
Challenges to Authority/Title 26 or law in Other Documents	Argues that Title 26 of the United States Code is not law because it was never enacted as named.

Exhibit 3.11.154-12 (Cont. 1) (01-01-2023)
♦**Potential Frivolous Arguments for Examination Review**♦

Potential Frivolous Arguments	Description
Collections Issues	Files frivolous documents contending that several collections issues are invalid (e.g., Offers in Compromise, Collection Due Process Requests, Installment Agreements, Appeals Requests.) because they are not filed and signed by someone with delegated authority. They may have no certificate of assessment attached, do not comply in form or content with a Stat or Local law, are not in a certain format or lack a valid OMB (Office of Management and Budget) number or other frivolous positions.
Disclaimer	Submits a disclaimer stating, disclaims the liability for the tax due, making the liability on the return zero.
Fifth Amendment	Assertion of the Fifth Amendment right against self-incrimination as a basis for not providing any financial information.
Foreign Income	Argues that United States citizens and residents are not subject to tax on their wages or other income derived from sources within the United States, as only foreign-based income or income received by nonresident aliens and foreign S Corporations from sources within the United States is taxable.
Form 1099-OID, Original Issue Discount	An individual files a return reporting false amounts of income (generally ″Other″ or ″Miscellaneous″ income) and all of them claim a false amount of income tax withholding approximately equal to the amount of falsely reported income. Although the returns report income, they do not calculate any tax due. Some of the returns have Form 1099-OID (Original Issue Discount) attached and some have Form 1096. Other false financial instruments may be filed in the place of or in addition to the Form 1099-OID such as Form 2439, promissory notes, bonds sight drafts etc. ***Caution:*** Some returns will need special care. If the locally designated basket for Examination, Frivolous Return Processing (FRP) for review. Pay particular attention to returns with Form 1099-OID attached.

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Exhibit 3.11.154-12 (Cont. 2) (01-01-2023)

♦Potential Frivolous Arguments for Examination Review♦

Potential Frivolous Arguments	Description
IRC 861, Business Employment Tax (BMF 861)	Argument targets employers and advises them that wages are exempt from withholding. These taxpayers rely on Sections 861 through 865 of the Code and the regulations (in particular, Treasury Regulation §1.861-8), promoters of this scheme advise employers to stop withholding and paying payroll taxes on their employee's wages. In addition, some employers file amended payroll tax returns and request refunds of previously paid payroll taxes.
IRS is a Private Organization/Collects Tribute, Not Taxes	Argues that the IRS is an entity named the Internal Revenue and Tax Service, Inc., which was incorporated in Delaware in 1933, it is a collection agency for the Federal Reserve Bank, or is part of the United Nations and is clandestinely leading the tax-paying public into a new world order.
Not a Person	Argues that a taxpayer is not a person within the meaning of section 7701 (a)(14) of the Internal Revenue Code.
Obscene, Vulgar, Harassing	Submits documents or other materials indicating that non-filing is due to dissatisfaction with tax policies or taxation in general. Often, this argument is expressed with obscene, vulgar, or crude language and characters in an extremely demeaning manner.
Protest Against Government Action/Inaction	Argues that refusal to file or pay is justified because they disagree with government policies or spending plans.
Sixteenth Amendment	Argues the Sixteenth Amendment was not properly ratified and therefore the federal government does not have the legal authority to collect an income tax without apportionment.
Straw Men	Argues that the government has created an entity separate and distinct from the taxpayer -a straw man and any tax obligations are exclusively those of the straw man.
Taxes are Voluntary/Law Does Not Require	Submits a return, amended return or correspondence that argues income taxes are voluntary.
U.S. v. Long	Submits a return with zero money amounts much the same as the Zero Return category and U.S. V. Long is referenced. See NOTE in Zero returns below.

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Exhibit 3.11.154-12 (Cont. 3) (01-01-2023)
♦Potential Frivolous Arguments for Examination Review♦

Potential Frivolous Arguments	Description
Unsigned Returns	The individual completes a return but does not sign, A statement indicating disagreement with the tax system is attached or added to the return.
Valuation	Income is not taxable because of the declining fair market value of the dollar, because the dollar is not backed by gold/silver, because the value of services is offset by the value of the labor (barter income), etc.
Zero Returns	Submits a return with zero money amounts on all or most line items on the form (e.g., IRC 861, Form 2439, OID and other BMF filings that claim no income and requests refunds). See Rev. Rul. 2004-34. A statement is attached claiming there is no section of the Internal Revenue Code that established an income tax liability. The statement may also have arguments about the definition of income. There are several variations on this type of filling such as those bearing the words nunc pro tunc and not liable
Other	All others. All others including those in Notice 2010-33 or any subsequent superseding notice. See *The Truth About Frivolous Tax Arguments*. This category includes non-filer accounts resulting from initial compliance check such as cross-reference TINs. ***Note:*** Frivolous arguments citing Collection Due Process (CDP) should be reviewed by Collections for possible referral to Appeals. Refer to IRM 5.19.8.4, Collection Appeal Rights Procedures, for more information.

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Internal Revenue Manual

Exhibit 3.11.154-12

Exhibit 3.11.154-13   (01-01-2024)
Credit Reduction States and Rates (TY 2024 - 2004)

2024 Credit Reduction States and Rates

State	Rate
To be Determined	To be Determined

2023 Credit Reduction States and Rates

State	Rate
California (CA)	.006
New York (NY)	.006
Virgin Islands (U.S.)	.039

2022 Credit Reduction States and Rates

State	Rate
California (C A)	.003
Connecticut (CT)	.003
Illinois (IL)	.003
New York (NY)	.003
Virgin Islands (U.S.)	.036

2021 Credit Reduction States and Rates

State	Rate
Virgin Islands (U.S.)	.033

2020 Credit Reduction States and Rates

State	Rate
Virgin Islands (U.S.)	.030

2019 Credit Reduction States and Rates

State	Rate
Virgin Islands (U.S.)	.027

2018 Credit Reduction States and Rates

State	Rate
Virgin Islands (U.S.)	.024

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Exhibit 3.11.154-13 (Cont. 1) (01-01-2024)
Credit Reduction States and Rates (TY 2024 - 2004)

2017 Credit Reduction States and Rates

State	Rate	State	Rate
California	.021	Virgin Islands (U.S.)	.021

2016 Credit Reduction States and Rates

State	Rate	State	Rate
California (CA)	.018	Virgin Islands (U.S.)	.018

2015 Credit Reduction States and Rates

State	Rate	State	Rate
California (CA)	.015	Ohio	.015
Connecticut (CT)	.021	Virgin Island (U.S.)	.015

2014 Credit Reduction States and Rates

State	Rate	State	Rate
California (CA)	.012	New York	.012
Connecticut (CT)	.017	North Carolina	.012
Indiana (IN)	.015	Ohio	.012
Kentucky (KY)	.012	Virgin Island (U.S.)	.012

2013 Credit Reduction States and Rates

State	Rate	State	Rate
Arkansas (AR)	.009	Missouri (MS)	.009
California (CA)	.009	New York (NY)	.009
Connecticut (CT)	.009	North Carolina (NC)	.009
Delaware (DE)	.006	Ohio (OH)	.009
Georgia(GA)	.009	Rhode Island (RI)	.009
Indiana (IN)	.012	U.S. Virgin Islands (VI)	.012
Kentucky (KY)	.009	Wisconsin (WI)	.009

2012 Credit Reduction States and Rates

State	Rate	State	Rate
Arizona (AZ)	.003	Nevada (NV)	.006

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Exhibit 3.11.154-13 (Cont. 2) (01-01-2024)
Credit Reduction States and Rates (TY 2024 - 2004)

State	Rate	State	Rate
Arkansas (AR)	.006	New Jersey (NJ)	.006
California (CA)	.006	New York (NY)	.006
Connecticut (CT)	.006	North Carolina (NC)	.006
Delaware (DE)	.003	Ohio (OH)	.006
Florida (FL)	.006	Rhode Island (RI)	.006
Georgia (GA)	.006	Vermont (VE)	.003
Indiana (IN)	.009	U.S. Virgin Islands (VI)	.015
Kentucky (KY)	.006	Wisconsin (WI)	.006
Missouri (MS)	.006		

2011 Credit Reduction States and Rates

State	Rate	State	Rate
Arkansas (AR)	.003	North Carolina (NC)	.003
California (CA)	.003	New Jersey (NJ)	.003
Connecticut (CT)	.003	Nevada (NV)	.003
Florida (FL)	.003	New York (NY)	.003
Georgia (GA)	.003	Ohio (OH)	.003
Illinois (IL)	.003	Pennsylvania (PA)	.003
Indiana (IN)	.006	Rhode Island (RI)	.003
Kentucky (KY)	.003	Virginia (VA)	.003
Michigan (MI)	.009	U.S. Virgin Islands (VI)	.003
Minnesota (MN)	.003	Wisconsin (WI)	.003
Missouri (MO)	.003		

2010 - 2004 Credit Reduction States and Rates

Tax Year	State	Rate
2010	South Carolina (SC)	.003
2010	Indiana (IN)	.003
2010	Michigan (MI)	.006
2009	Michigan (MI)	.003
2006- 2008	None	

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Exhibit 3.11.154-13 (Cont. 3) (01-01-2024)
Credit Reduction States and Rates (TY 2024 - 2004)

Tax Year	State	Rate
2005	New York (NY)	.006
2004	New York (NY)	.003

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Exhibit 3.11.154-14 (01-01-2025)
Track and Confirm Receipt

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Exhibit 3.11.154-15   (01-01-2021)
Section 7502(f) Designation of Private Delivery Services (Notice 2016-30)

Effective April 11, 2016 Designated Delivery Service Types

DHL Express	Fed Ex	UPS
DHL Express 9:00	Fed Ex First Overnight	UPS Next Day Air AM
DHL Express 10:30	Fed Ex Priority Overnight	UPS Next Day Air
DHL Express 12:00	Fed Ex Standard Overnight	UPS Next Day Air Saver
DHL Express Worldwide	Fed Ex 2 Day	UPS Next 2nd Day Air
DHL Express Envelope	Fed Ex International Next Flight Out	UPS Next 2nd Day Air Early A.M.
DHL Import Express 10:30	Fed Ex International Priority	UPS Worldwide Express Plus
DHL Import Express 12:00	Fed Ex International First	UPS Worldwide Express
DHL Import Express Worldwide	Fed Ex International Economy	

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Exhibit 3.11.154-16   (05-22-2024)
Acronyms, Abbreviations and Definitions

Acronyms / Abbreviations	Definition
AM	Accounts Management
APO	Army Post Office
AUR	Automated Underreporter
BMF	Business Master File
C&E	Code and Edit
CCC	Computer Condition Code
CDP	Collection Due Process
CI	Criminal Investigation
CII	Correspondence Imaging Inventory
C/O	Care of
CP	Computer Paragraph
CR	Credit Reduction
DLN	Document Locator Number
DPO	Diplomatic Post Office
DPO	Document Perfection Operation
EEFax	Enterprise Electronic Fax
E-File	Electronically File
e.g.	For Example
EIN	Employee Identification Number
EOCU	EO Compliance Unit
ERS	Error Resolution System
etc.	Et Cetera
Exam	Examination
FAX	Facsimile
FPO	Fleet Post Office
FRP	Frivolous Return Program
FTF	Failure To File
GPP	General Purpose Programming
ICS	Integrated Collection System
ID	Identification or Identity

Exhibit 3.11.154-16   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)

Exhibit 3.11.154-16 (Cont. 1) (05-22-2024)
Acronyms, Abbreviations and Definitions

Acronyms / Abbreviations	Definition
IDRS	Integrated Data Retrieval System
ISRP	Integrated Submission and Remittance Processing
IMF	Individual Master File
IRC	Internal Revenue Code
IRS	Internal Revenue Service
KCSPC	Kansas City Submission Processing Center
LB&I	Large Business and International
MeF	Modernized Electronic Filing
MFT	Master File Tax
MMDDYY	Month Month Day Day Year Year
NAICS	North American Industry Classification System
N/A	Not Applicable
NDC	National Distribution Center
OC	Other Country
OID	Original Issue Discount
OSPC	Ogden Submission Processing Center
PBA	Principal Business Activity
PDS	Private Delivery Service
PTIN	Preparer Tax Identification Number
P.O.	Post Office
QSSS	Qualified Subchapter S Subsidiary
R&C	Receipt and Control
Rec'd	Received
Rev. Proc.	Revenue Procedure
RO	Revenue Officer
RRA98	Restructuring and Reform Act of 1998
SB/SE	Small Business & Self-Employed
SCAMPS	Service Center Automated Mail Processing System
SERP	Servicewide Electronic Research Program (SERP)
SFR	Substitute for Return
SLA	Service Level Agreement

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Exhibit 3.11.154-16 (Cont. 2) (05-22-2024)
Acronyms, Abbreviations and Definitions

Acronyms / Abbreviations	Definition
SOI	Statistics of Income
SP	Submission Processing
SSN	Social Security Number
TAS	Taxpayer Advocate Service
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TE	Tax Examiner
TE/GE	Tax Exempt & Government Entities
TETR	Telephone Excise Tax Refund
TIN	Taxpayer Identification Number
TPE	Tax Period Ending
TS	Taxpayer Services ***Note:*** April 2024 Wage and Investment (W&I) changed to Taxpayer Services (TS).
TY	Tax Year
UCC	Uniform Commercial Code
U.S.	United States
USPS	United States Postal Service
ZIP	Zone Improvement Plan

Exhibit 3.11.154-16   Internal Revenue Manual   Cat. No. 33581C (11-15-2024)

Exhibit 3.11.154-17   (01-01-2024)
♦**Routing Guide for Attachments**♦

Review all attachments to the return before the return can be considered processable.

   a.   Only detach attachments when specifically instructed.
   Note: Consider a return or document an "original" if it has an original signature or is stamped "Process as Original".

   b.   Edit Action Trail(s) (e.g., "2848 DETACHED") in the lower left corner going vertically up the side of the return.
   c.   Edit the name and EIN (if not present) on the detached document. Also, edit the return Received Date (e.g., Rec'd MM/DD/YY) in the lower left margin of the detached document before routing.
   .

Before detaching an attachment for routing, verify that it contains the Name or EIN (Employer Identification Number). Edit if missing.

When a document is detached, also edit the Received Date in the lower left corner, (for example Rec'd MM/DD/YY).

Code and Edit must ensure the taxpayer's EIN is on all attachments, in case they are separated from the return during processing. If the EIN is not shown on an attachment, (to be processed with the return), edit the last 4 digits of the taxpayer's EIN. Routed attachments should show the Name, full EIN, and a Received Date.

Imperfect Form 940 (Revision 2006 and subsequent) - After detaching a document from the return, and only Page(s) 1, 2, and (if applicable) Form 940 Schedule A and Form 940 Schedule R remain, do not pull the return, leave return in **Imperfect** batch.

Follow the general guidelines below for each attachment:

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
CP 161, No Math Error, Balance Due	No	Route to Accounts Management.

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Exhibit 3.11.154-17 (Cont. 1) (01-01-2024)
♦**Routing Guide for Attachments**♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
CP 259/959 (Spanish version) *Note:* Do not route to Statute Control Unit for clearance. See IRM 3.11.154.3.6, Statute Returns, for more information.	No	**Correspondence is attached or taxpayer's response indicates :** • Taxpayer disagrees that they must file the return. • Only Page one of the return is attached. • EIN on notice does not match EIN on return. • Return requested on notice not the same as return submitted. • Taxpayer asking question(s) or requesting the IRS take action(s) on their account. • Case involves any other IRS action(s) C&E not trained to complete. **Then,** Route to Compliance Services Collection Operations (CSCO). Use return address on CP notice: • Brookhaven - Stop #662 • Memphis - Stop #81 • Philadelphia - 4-N31.142 **If none of the above apply, correspondence or written response to the notice is not attached and/or, "599" is notated:** 1. Move the notice to the back of the return. 2. Continue processing the return. *Note:* If the return is unsigned, but the taxpayer signed the CP notice under the jurat, it is not necessary to correspond for the signature.
CP 259 A through H	No	OSPC BMF Entity Mail Stop 6273.
CP 504/504B	No	1. Pull CP 504/504B to the front. 2. Route notice and return to Accounts Management.

Exhibit 3.11.154-17 (Cont. 2) (01-01-2024)
♦Routing Guide for Attachments♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
CP 518 *Note:* Do not route to Statute Control Unit for clearance. See IRM 3.11.154.3.6, Statute Returns, for more information.	No	**Correspondence is attached or taxpayer's response indicates :** • Taxpayer disagrees that they must file the return. • Only Page one of the return is attached. • EIN on notice does not match EIN on return. • Return requested on notice not the same as return submitted. • Taxpayer asking question(s) or requesting the IRS take action(s) on their account. • Case involves any other IRS action(s) Code and Edit not trained to complete. **Then,** Route to Compliance Services Collection Operations (CSCO). Use return address on CP notice: • Brookhaven - Stop #662 • Memphis - Stop #81 • Philadelphia - 4-N31.142 **If none of the above apply, correspondence or written response to the notice is not attached and/or, 599 is notated:** 1. Move the notice to the back of the return. 2. Continue processing the return. *Note:* If the return is unsigned, but the taxpayer signed the CP notice under the jurat, it is not necessary to correspond for the signature.
Includes tax liability for **MULTIPLE** tax periods or types of tax	No	1. Numbered returns - route to Rejects. 2. Unnumbered returns - prepare a dummy return if possible; otherwise **correspond**.
Letter 142C attached	No	Route to Rejects.
Letter attached or indication on return requesting a prompt determination under IRC 505(b)	No	See IRM 3.11.154.3.12, Prompt, Quick and Jeopardy Assessments.
Other tax returns (original signatures)	Yes	1. Edit Received Date to the detached return. 2. Route to correct function unless specifically directed otherwise. *Exception:* Returns attached to a consolidated return will NOT be detached.

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Exhibit 3.11.154-17 (Cont. 3) (01-01-2024)
♦Routing Guide for Attachments♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Returns marked as **Protective Claim**, **Protective Refund Protective Claim for Refund**, or similar statement	No	1. Remove return from batch 2. Notate "Protective Claim" in the remarks box of Form 4227 3. Route to Accounts Management.
Petitions in opposition of tax law provisions	Yes **Note:** Do not edit an action trail when detaching a petition.	Route to: IRS #Room 3244# 1111 Constitution Ave NW Washington, DC 20224
State Tax Return, original or copy with original signature	Yes	Route to Receipt and Control.
State Tax Returns (Photocopy, facsimile or no signature)	No	Leave attached.
Statement establishing Reasonable Cause for delinquent filing	No	See IRM 3.11.154.2.10.6, CCC "R" - Reasonable Cause for Failing to File Timely Return.
Statement establishing Reasonable Cause for delinquent payments	No	See IRM 3.11.154.2.10.4, CCC "J" - Reasonable Cause for Failing to Make Timely Deposits.
Remittance found	No	Immediately hand carry return and remittance to supervisor.
Request for Acknowledgement	No	No action required.
Form/Document: Victim of ID Theft, Attachment or statement clearly indicating taxpayer is/has been a victim.	**No**	See IRM 3.11.154.2.25, Business Master File (BMF) Identification (ID) Theft.
Requests for information or inquiries	Yes	1. Photocopy the attachment if it contains any data necessary to continue processing the return. 2. Attach the photocopy to the return. 3. Route original attachment to the proper office for necessary action.
Request for adjustment to another document	Yes	Route to correct function. Attachment must contain Name, Address, EIN and Received Date. Edit if missing.

Exhibit 3.11.154-17 (Cont. 4) (01-01-2024)
♦**Routing Guide for Attachments**♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS

Request for money transfer	No/Yes	**No** - notates transfer of money **TO** the return you are processing:
		1. Prepare Form 3465 and:
		   a. Indicate in the Routing Box "Rejects".
		   b. Notate "See attached money transfer request" in the Remarks Box.
		
		2. Edit Action Code 450 to route the request to Rejects.
		Yes - notates transfer of money **FROM** the return you are processing:
		1. Edit CCC "X" to freeze overpayment.
		2. Detach transfer request.
		3. Prepare Form 3465 and:
		   a. Indicate in the Routing Box Adjustments.
		   b. Notate the requested action in the Remarks Box.
		
		4. Attach Form 3465 to the request and route to Accounts Management.
		5. Continue editing the return.

Request for Forms or Schedules	No	1. Request for Current Year Forms:
		   • Prepare Form 4190, Order Form for Tax Forms and Publications.
		   • Forward to National Distribution Center (NDC) for processing.
		
		2. Request for Prior Year Forms:
		   • Prepare Form 6112, Partnership Returns Order.
		   • Forward to National Distribution Center (NDC) for processing.
		
		Note: Use the write-in sections of Form 4190 and Form 6112 for all BMF forms and schedule requests.

Form CT-1X, Adjusted Employer's Annual Railroad Retirement Tax Return of Claim for Refund	Yes	Route to Accounts Management.
Form 56, Notice Concerning Fiduciary Relationship	Yes	Enter Received Date and route to Entity Control. Review attachments for evidence of fiduciary authority to be routed at the same time.

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Exhibit 3.11.154-17 (Cont. 5) (01-01-2024)

♦**Routing Guide for Attachments**♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Form 433-B, Collection Information Statement for Businesses	Yes	Route as follows: Ogden - Route to Collections Mail Stop 5500. Kansas City - Route to Mail Stop P4 5000.
Form 433-D, Installment Agreement	Yes	Route as follows: Ogden - Route to Collections Mail Stop 5500. Kansas City - Route to Mail Stop P4 5000.
Form 637, Application for Registration (For Certain Excise Tax Activities)	Yes	Route to Excise Operations Unit. Complete Form 13538, Consolidated Shipping Transmittal Form and place in outgoing mail to: Internal Revenue Service Attn: Excise Unit-Form 637 Mail Stop 5701-G 7940 Kentucky Dr Florence, KY 41042
Form 843, Claim for Refund and Request for Abatement	Yes	Route to Accounts Management if the claim is for a tax or tax period other than that covered by the return. See Exhibit 3.11.154-12, Potential Frivolous Arguments for Examination Review.
Form 895, Notice of Statute Expiration	No	See IRM 3.11.154.3.12, Prompt, Quick and Jeopardy Assessments.
Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order)	Yes	Route to Taxpayer Advocate Service (TAS).
Form 940 Schedule R, Allocation Schedule for Aggregate Form 940 Filers	No	Edit Form 940 Schedule R Indicator (SRI) R. See IRM 3.11.154.2.3(11), Return Perfection - Processing of Form 940 and Form 940 (PR). Also, edit SRI R when the Form 940 Schedule R Continuation Page is attached. If received without return, route to KCSPC SCRIPS or OSPC SCRIPS
Form 940-B, Request for Verification of Credit Information shown on Form 940 .	No	Route to Accounts Management. (If received without return, route to FUTA Certification Unit).
Form 940-C, Employer Account Abstract	No	Route to Accounts Management. (If received without return, route to FUTA Certification Unit).
Form 940-V , Payment Voucher	Yes, if payment present.	Hand-carry remittance and voucher to supervisor. If no payment, leave attached.

Exhibit 3.11.154-17 (Cont. 6) (01-01-2024)
◆**Routing Guide for Attachments**◆

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Form 941 Schedule B, Report of Tax Liability for Semiweekly Schedule Depositors	Yes	Route to Accounts Management.
Form 941-X, Adjusted Employer's Quarterly Federal Tax Return or Claim For Refund	Yes	Route to Accounts Management.
Form 943-X, Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim For Refund	Yes	Route to Accounts Management.
Form 944-X, Adjusted Employer's Annual Federal Tax Return or Claim For Refund	Yes	Route to Accounts Management
Form 945-X, Adjusted Annual Return of Withheld Federal Income Tax or Claim For Refund	Yes	Route to Accounts Management
Form 1040 Schedule H, Household Employment Taxes	Yes	See IRM 3.11.154.3.11, Form 1040 Schedule H instructions.
Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Yes	1. KCSPC Route to OSPC. 2. **OSPC** Route to Receipt and Control.
Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding	Yes	1. KCSPC Route **only Copy A** to OSPC. 2. **OSPC** Route **only Copy A** to Receipt and Control and leave all other copies attached to return.
Form 1096, Annual Summary and Transmittal of U.S. Information Returns	Yes	Route to Receipt and Control
Form 1099 (all series)	Yes (Copy A Only)	Route Copy A Only to Receipt and Control (R and C).
Form 1331 (NMF), Notice of Adjustment	Yes	Route to Accounting.
Form 2553, Election by a Small Business Corporation	Yes	Detach and route to Entity Control on Form 4227.
Form 2275, Records Request- Charge and Recharge	Yes	Photocopy return and route to requestor. Process original.
Form 2644, Recommendation for Jeopardy/Termination Assessment	No	See IRM 3.11.154.3.12, Prompt, Quick and Jeopardy Assessments.

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Exhibit 3.11.154-17 (Cont. 7) (01-01-2024)
◆**Routing Guide for Attachments**◆

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Form 2848, Power of Attorney and Declaration of Representative or Form 2848 (SP), Power of Attorney and Declaration of Representative (Spanish Version)	Yes	Route as follows: **Ogden** - Route to: Mail Stop 6737 **Kansas City** - route to: Internal Revenue Service 5333 Getwell Rd., Mail Stop 8423 Memphis, TN 38118
Form 2859, Request for Quick or Prompt Assessment	No	See IRM 3.11.154.3.12, Prompt, Quick, and Jeopardy Assessments.
Form 3198, Special Handling Notice for Examination Case Processing	No	See IRM 3.11.154.3.12, Prompt, Quick, and Jeopardy Assessments.
Form 3244, Payment Posting Voucher	Yes, if original	Route original voucher to Receipt and Control.
Form 3753, Manual Refund Posting Voucher	No	1. If name control, EIN, and tax period are the same as return, leave attached and edit CCC "O". Research IDRS for TC 840. 2. If data is not the same, send return and attachment back to originating function.
Form 3870, Request for Adjustment	Yes	Photocopy return and route copy and Form 3870 to Collections.
Form 3949, Information Referral	Yes	1. Route Form 3949 according to Page 2 of Form 3949 to CI, Exam, Disclosure, etc. following local procedures. 2. Continue processing the return
Form 3949-A, Information Report Referral	Yes	Ogden - 1. Route Form 3949-A to Receipt & Control. 2. Continue processing the return. Kansas City - 1. Route Form 3949-A to Ogden Service Center. 2. Continue processing the return.
Form 4251, Return Charge Out	Yes	Photocopy return and route to requestor. Process original.
Form 5344, Examination Closing Record	No	See IRM 3.11.154.3.12, Prompt, Quick, and Jeopardy Assessments.
Form 5403, Appeals Closing Record	No	See IRM 3.11.154.3.12, Prompt, Quick, and Jeopardy Assessments.
Form 5604, Section 6020(b) Action Sheet	No	See IRM 3.11.154.3.8.1, IRC 6020(b) - Prepared by Collections.

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Exhibit 3.11.154-17 (Cont. 8) (01-01-2024)
♦Routing Guide for Attachments♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Form 5792, Request for IDRS Generated Refund (IGR)	No	1. Research IDRS for TC 840. 2. If Name Control, EIN, and Tax Period are the same as return, leave attached and edit CCC "O". 3. If data is not the same, send return and attachment back to originating function.
Form 5884, Work Opportunity Credit	Yes, if original.	Return to taxpayer. Advise that it should be filed with income tax return.
Form 5884, Work Opportunity Credit	No, if copy.	Leave attached.
Form 8274, Certification by Churches and Qualified Church-Controlled Organizations Electing Exemption From Employer Social Security and Medicare Taxes	Yes	Route to Ogden Entity Control Unit.
Form 8655, Reporting Agent Authorization	Yes	Accounts Management Service Campus MS 6748 RAF Team 1973 North Rulon White Blvd. Ogden, Utah 84404 ***Note:*** See IRM 3.11.154.2.19 (8), Signature and refer to note.
Form 8821, Tax Information Authorization	Yes	**Ogden** - Route to: Mail Stop 6737 **Kansas City** - route to: Internal Revenue Service 5333 Getwell Rd., Mail Stop 8423 Memphis, TN 38118
Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party - Business.	No	No action is needed if all of the following applies: • Mailing address information is the same, • No location Address is listed on Form 8822 or Form 8822-B, Line 7, • No entry on Form 8822-B, Lines 8 or 9.
Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party - Business.	Yes	Route Form 8822 or Form 8822-B to local campus Entity if any of the following applies: • Mailing address information is different, • Location address is listed on Form 8822 or Form 8822-B, Line 7, • An entry is listed on Form 8822-B, Lines 8 or 9.

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Exhibit 3.11.154-17 (Cont. 9) (01-01-2024)
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FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Form 9465, Installment Agreement Request, or letter substitute	Yes	**Ogden** - Route to Collections Mail Stop 5500. **Kansas City** Route Mail Stop P4 5000.
Form 12857, Refund Transfer Posting Voucher	No	1. Research IDRS for TC 840 2. If name control, EIN, and tax period are the same as return, leave attached and edit CCC "O" 3. If data is not the same, send return and attachment back to originating function.
Form 14039-B, Business Identity Theft Affidavit	No	1. If the envelope is addressed to a specific function or a specific function is indicated by an IRS CP notice or IRS letter, place the Form 14039-B on top and route Form 14039-B and the return to the specific function. 2. If Ogden, or Kansas City receives a Form SS-4, Application for an Employer Identification Number and Form 14039-B route the returns to BMF Entity Control: Internal Revenue Service Ogden BMF Entity Mail Stop 6273 Ogden, UT 84201. 3. For the following returns: • Loose Form 14039-B. • No correspondence attached (e.g., no IRS CP notice or IRS letter). • The envelope is not addressed to a specific function. a. Place the Form 14039-B on top of the return. b. Route to the local Image Control Team (ICT). Kansas City - Mail Stop 6525. Ogden - Mail Stop 6552.
Form 14157, Return Preparer Complaint	Yes	Route to: Attn: Return Preparer Office 401 W. Peachtree Street NW Mail Stop 421-D Atlanta, Georgia 30308
OAR-7010, Notice of SSA Determination	Yes	Follow Campus Routing Guide.

Exhibit 3.11.154-17 (Cont. 10) (01-01-2024)
♦**Routing Guide for Attachments**♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Form SS-4, Application for Employer Identification Number	No, if for return.	Route return and Form SS-4 to Entity Control.
Form SS-4, Application for Employer Identification Number	Yes, if for separate account.	Detach Form SS-4 and route to Entity Control.
Form SS-16, Certification of Election of Coverage Under FICA	Yes	Route to Entity Control.
Form W-2, Wage and Tax Statement	Yes	Follow Campus Routing Guide.
Form W-3, Transmittal of Income and Tax Statement	Yes	Follow Campus Routing Guide.
Form W-4, Employee's Withholding Allowance Certificate, attached to Form 3210, Document Transmittal, and no return is included	Yes	Route to: Withholding Compliance Internal Revenue Service 310 Lowell Street Mail Stop 837 Andover, MA 01810.
Form W-4, Employee's Withholding Allowance Certificate, attached to a return	No	Leave it attached. No action is required. Do not verify any information. Do not edit any information.

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Exhibit 3.11.154-17 (Cont. 11) (01-01-2024)
♦**Routing Guide for Attachments**♦

FORM/DOCUMENT	DETACH	DESCRIPTIONS/ACTIONS
Letter 112C, Payment/ Overpayment/Credit Applied; No record of Return Filed, or Letter 282C, Return Not Received: Copy Requested/Received, or Letter 2255C, Delinquent Return (Forms 720, 1041, 1065, 1120) or Letter 2284C, Delinquent Return (Form 940 , Form 941 , , Form 943 , or Form 944) *Note:* Do not route to Statute Control Unit for clearance. See IRM 3.11.154.3.6, Statute Returns, for more information.	No	a. Identify which organization initiated the letter to the taxpayer (e.g., what organization signed the letter?). b. Route letters initiated by Accounts Management (AM) to Accounts Maintenance Research (AMRH): • Ogden - Mail Stop 6712 • Kansas City - Mail Stop N2 6800 c. Route letters initiated by Collections as follows: 1. **If** correspondence is attached or taxpayer's response indicates any of the following: • Taxpayer disagrees that they must file the return. • Only Page 1 of the return is attached. • EIN on letter does not match EIN on return. • Return requested on letter not the same as return submitted. • Taxpayer asking question(s) or requesting the IRS take action(s) on their account. • Case involves any other IRS action(s) C&E not trained to complete. **Then,** Route to Compliance Services Collection Operations (CSCO). Use return address on letter; • Brookhaven - Stop #662 • Memphis - Stop #81 • Philadelphia - 4-N31.142 2. **If** none of the above apply, correspondence or written response to the letter is not attached and/or, no 599 is notated: **Then,** Move the letter to the back of the return and continue processing. *Note:* If the return is unsigned, but the taxpayer has signed the letter under the jurat, it is not necessary to correspond for the signature.

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