



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.12.14

NOVEMBER 6, 2023

EFFECTIVE DATE

(01-01-2024)

PURPOSE

- (1) This transmits revised IRM Section 3.12.14, Error Resolution, Income Tax Returns for Estates and Trusts (Form 1041, Form 1041-QFT, and Form 1041-N).

MATERIAL CHANGES

- (1) IRM 3.12.14.2.1 **Taxpayer Advocate Service** - Updated per Consistency Template. (IPU 23U0123 issued 01-18-2023)
- (2) IRM 3.12.14.6.1.1(6) **Perfecting Form 1041 and Error Screen Displays** - Changed Correspondence Imaging System (CIS) to Correspondence Imaging Inventory (CII). (IPU 23U0123 issued 01-18-2023)
- (3) IRM 3.12.14.6.2(5) **Correspondence** - Changed Correspondence Imaging System (CIS) to Correspondence Imaging Inventory (CII). (IPU 23U0123 issued 01-18-2023)
- (4) IRM 3.12.14.6.2.1 **Correspondence Imaging Inventory (CII) Returns** - Changed Correspondence Imaging System (CIS) to Correspondence Imaging Inventory (CII) throughout this subsection. (IPU 23U0123 issued 01-18-2023)
- (5) IRM 3.12.14.6.3(13) **Action Codes** - Removed temporary guidance, due to return to normal processing times, post-pandemic.
- (6) IRM 3.12.14.6.8(6) **♦Working Trail♦** - Removed "line through the DLN" to improve the process for Rejects and Files.
- (7) IRM 3.12.14.6.10(4) **Streamlined Filing Compliance Process** - Changed Correspondence Imaging System (CIS) to Correspondence Imaging Inventory (CII). (IPU 23U0123 issued 01-18-2023)
- (8) IRM 3.12.14.6.12 **Section 965 Returns** - Revised effective years.
- (9) IRM 3.12.14.6.13 **Elective or Deemed Payment Election (DPE) and Credit Transfers** - Added section for Elective or Deemed Payment Election and Credit Transfers per Inflation Reduction Act of 2022 and CHIPS and Science Act of 2022. (IPU 23U0527 issued 04-21-2023)
- (10) IRM 3.12.14.7.5(4) **Part IV Errors - Consistency/Math Errors** - Corrected IRM reference to error codes. (IPU 23U0176 issued 01-26-2023)
- (11) IRM 3.12.14.8.2 **Section 01** - Updated Field 01ADC character length to 15 to match new programming.
- (12) IRM 3.12.14.8.6 **Field 01FID** - Added QDT exemption amount for tax year 2023.
- (13) IRM 3.12.14.8.16(2) **Field 01ADC** - Updated Field 01ADC character length to 15 to match new programming. Added Audit Code 7.
- (14) IRM 3.12.14.8.25(4) **Field 01RPC - Return Processing Code (RPC)** - Added RPC J, "K", "L" and "M" for Elective or Deemed Payment Election and Credit Transfers per IRA 2022. (IPU 23U0527 issued 04-21-2023). Added instruction that applies only to 202201 - 202212 tax periods.

- (15) IRM 3.12.14.9.8 **Field 02ZIP** - Added Form 8822-B procedures.
- (16) IRM 3.12.14.10.1 **Section 04** - Added new field 04NEX for line 11 exemption amount on Form 1041-N.
- (17) IRM 3.12.14.10.3.20 **Field 04NEX** - Added subsection for new field 04NEX, line 11 exemption amount on Form 1041-N.
- (18) IRM 3.12.14.11.1 **Section 05** - Added new fields per Form 1041 WRN dated 04-05-2023.
- (19) IRM 3.12.14.11.9 **General Business Credits** - Removed outdated information location of GBC credits.
- (20) IRM 3.12.14.11.16 **Field 05GIC** - Added new field per Form 1041 WRN dated 04-05-2023.
- (21) IRM 3.12.14.11.17 **Field 05GLH** - Added new field per Form 1041 WRN dated 04-05-2023.
- (22) IRM 3.12.14.11.18 **Field 05G06** - Updated for new line 6c per Form 1041 WRN dated 04-05-2023.
- (23) IRM 3.12.14.11.31 **Field 0516A** - Updated title to match new line description per Form 1041 WRN dated 04-05-2023.
- (24) IRM 3.12.14.11.32 **Field 05EPE** - Added new field per Form 1041 WRN dated 04-05-2023.
- (25) IRM 3.12.14.11.33 **Field 05EPV** - Added new verified field.
- (26) IRM 3.12.14.11.34 **Field 05OCP** - Added new field per Form 1041 WRN dated 04-05-2023.
- (27) IRM 3.12.14.11.35 **Field 05G17** - Added tax period validity per new programming.
- (28) IRM 3.12.14.11.36 **Field 0518A** - Added tax period validity per new programming.
- (29) IRM 3.12.14.11.37 **Field 0518B** - Added tax period validity per new programming.
- (30) IRM 3.12.14.11.38 **Field 05DAC** - Added new field per Form 1041 WRN dated 04-05-2023.
- (31) IRM 3.12.14.11.40 **Field 05TCV** - Added new verified field.
- (32) IRM 3.12.14.13.3.1 **Field 0701A** - Added minimum wage amount for tax year 2023.
- (33) IRM 3.12.14.21 **Sections 23 through 25 - Form 3800** - Updated for 2023 revision. Removed instruction that all fields must be positive. Removed instruction that all math computations are based on Parts I and II fields. Added table for determining correspondence.
- (34) IRM 3.12.14.21.1 **Section 23** - Added and removed fields per 2023 revision of Form 3800 and associated new programming.
- (35) IRM 3.12.14.21.2 **Section 24** - Moved field 24OER to correct place in list of displayed fields. (IPU 23U0311 issued 02-27-2023) Removed 24OER per new programming for 2023 Form 3800. Added and removed fields per 2023 revision of Form 3800 and associated new programming. Deleted subsections 1 through 11 (Fields 2401J through 2401W), because those fields have been removed from the programming.
- (36) IRM 3.12.14.21.3 **Section 25** - Added and removed fields per 2023 revision of Form 3800 and associated new programming. Deleted subsections 1 through 7 (Fields 2501X through 25AAE), because those fields have been removed from the programming.
- (37) IRM 3.12.14.24 **Section 31** - Added new Section 31 for Form 8936, Schedule A.

- (38) IRM 3.12.14.24.1 **Section 31 - Fields Displayed** - Added new subsection for Form 8936, Schedule A fields displayed.
- (39) IRM 3.12.14.24.2 **Fields 311IN and 312IN** - Added subsection for VIN indicator fields.
- (40) IRM 3.12.14.24.3 **Field 313IN** - Added subsection for “more than 2 Schedule As” indicator field.
- (41) IRM 3.12.14.25.1 **Error Code 001 - Tax Year** - Updated to match Consistency Template. Updated tax year in Statute exception process. (IPU 23U0123 issued 01-18-2023)
- (42) IRM 3.12.14.25.11.2 **Error Code 026** - Added link to No Reply Procedures here and in other error codes throughout the IRM.
- (43) IRM 3.12.14.25.11.3 **Suspense Correction - Error Code 026** - Deleted table that had incorrect and incomplete information from EC 026 flowchart and left reference to flowchart as correction procedures. (IPU 23U0176 issued 01-26-2023)
- (44) IRM 3.12.14.25.14 **Error Code 062** - Field 2301D has been removed from programming.
- (45) IRM 3.12.14.25.16.2 **Error Code 162** - Added minimum amount for tax year 2023.
- (46) IRM 3.12.14.25.17.1 **Error Code 163** - Removed reference to 2401V.
- (47) IRM 3.12.14.25.27.2 **Error Code 830** - Updated with TY23 QDT amount.
- (48) IRM 3.12.14.25.31.2 **Error Code 839** - Added standard deduction amount for current year. Added several conversion lines.
- (49) IRM 3.12.14.25.34 **Error Code 845** - Added new field 04NEX.
- (50) IRM 3.12.14.25.37.2 **Error Code 848** - Added QDT exemption amount for tax year 2023.
- (51) IRM 3.12.14.25.40.2.3 **Error Code 857** - Updated Schedule D taxable minimum amount for tax year 2023.
- (52) IRM 3.12.14.25.42.2 **Error Code 861** - Updated highest tax bracket amount for tax year 2023.
- (53) IRM 3.12.14.25.44 **Error Code 864** - Added new error code for the new Clean Vehicle Credit.
- (54) IRM 3.12.14.25.44.1 **EC 864 Invalid Condition** - Added invalid conditions for new Error Code 864.
- (55) IRM 3.12.14.25.44.2 **EC 864 Correction Procedures** - Added correction procedures for new Error Code 864.
- (56) IRM 3.12.14.25.45 **Error Code 866** - Added Field 31RED>.
- (57) IRM 3.12.14.25.45.2 **EC 866 Correction Procedures** - Edited correction procedures per Form 1041 WRN dated 04-05-2023.
- (58) IRM 3.12.14.25.45.3 **EC 866 Valid TPNCs** - Added new TPNC 74.
- (59) IRM 3.12.14.25.46.2 **EC 868 Correction Procedures** - Added Form 8941 amounts for tax years 2022 and 2023.
- (60) IRM 3.12.14.25.49.2 **EC 872 Correction Procedures** - Added Schedule H minimum amount for tax year 2023.
- (61) IRM 3.12.14.25.54 **Error Code 887** - Added new fields per Form 1041 WRN dated 04-05-2023.

- (62) IRM 3.12.14.25.54.2 **EC 887 - Correction Procedures** - Added instruction for new TPNC 74.
- (63) IRM 3.12.14.25.54.2.3 **EC 887 - Field 05G2B** - Added instruction for new TPNC 74.
- (64) IRM 3.12.14.25.54.2.8 **EC 887 - Field 05GIC** - Added subsection for new field.
- (65) IRM 3.12.14.25.54.2.9 **EC 887 - Field 05GLH** - Added subsection for new field.
- (66) IRM 3.12.14.25.54.2.15 **EC 887 - Field 31RED>** - Added subsection for new field.
- (67) IRM 3.12.14.25.54.4 **EC 887 - Valid TPNCs** - Added TPNC 74.
- (68) IRM 3.12.14.25.55 **Error Code 890** - Added an error code for the Elective Payment Election.
- (69) IRM 3.12.14.25.55.1 **EC 890 - Invalid Condition** - Added invalid conditions for new Error Code 890.
- (70) IRM 3.12.14.25.55.2 **EC 890 - Correction Procedures** - Added correction procedures for new Error Code 890.
- (71) IRM 3.12.14.25.57.1 **Error Code 894** - Added ending tax period to CRN 429.
- (72) IRM 3.12.14.25.58 **Error Code 896** - Added new fields per Form 1041 WRN dated 04-05-2023.
- (73) IRM 3.12.14.25.58.2 **EC 896 Correction Procedures** - Added correction procedures for new fields.
- (74) IRM 3.12.14.25.60 **Error Code 902** - Added new fields per Form 1041 WRN dated 04-05-2023.
- (75) IRM 3.12.14.25.60.2 **EC 902 Correction Procedures** - Added note to send TPNC 10 if taxpayer has amounts on lines 24 through 27 and enters "\$0.00" on lines 28 and/or 29. (IPU 23U0176 issued 01-26-2023). Added Elective or Deemed payment election or transfer amount to Error Code 902 per IRA and CHIPS and Science Act. (IPU 23U0527 issued 04-21-2023). Added instruction to re-send previous TPNC if a "ripple" error.
- (76) IRM 3.12.14.25.60.4 **EC 902 Valid TPNCs** - Added TPNCs 73 and 74 per new programming.
- (77) IRM 3.12.14.26.4 **Form 1040 Conversion** - Added table for tax year 2023.
- (78) Exhibit 3.12.14-1 **Form 1041 (2023)** - Added exhibit for 2023 revision of Form 1041 per 04-05-2023 WRN.
- (79) Exhibit 3.12.14-4 **Schedule I** - Updated with 2023 revision information per 03-16-2023 WRN.
- (80) Exhibit 3.12.14-14 **Form 8936, Schedule A** - Added exhibit for new Form 8936, Schedule A, per 05-19-2023 WRN.
- (81) Exhibit 3.12.14-15 **Form 8941** - Updated with 2023 revision information per 03-31-2023 WRN.
- (82) Exhibit 3.12.14-17 **Form 3800 (2023)** - Added exhibit for 2023 revision of Form 3800 per 06-27-2023 WRN.
- (83) Exhibit 3.12.14-18 **Form 3800 (2022)**- Replaced page 3 graphic with corrected version (removed field designator 2301B because that line is reserved). (IPU 23U0176 issued 01-26-2023).
- (84) Exhibit 3.12.14-21 **Form 1041-N (2023)** - Added exhibit for 2023 revision of Form 1041-N per 04-13-2023 WRN.
- (85) Exhibit 3.12.14-23 **Form 1041-QFT (2023)** - Added exhibit for 2023 revision of Form 1041-QFT per 04-06-2023 WRN.

- (86) Exhibit 3.12.14-27 **Error Code 026 Flowchart - Suspense Correction Procedures** - Replaced graphic with a corrected version (removed ADC 5 instruction). Also corrected corresponding VDN. (IPU 23U0176 issued 01-26-2023)
- (87) Exhibit 3.12.14-30 **CRN Literals** - Revised CRN 429 and 433 tax periods.
- (88) Exhibit 3.12.14-31 **Tax Rate Schedule** - Added tax table for tax year 2023.
- (89) Exhibit 3.12.14-32 **Bankruptcy Estate Tax Rate Schedule** - Added 2022 tax rate schedule. (IPU 23U0176 issued 01-26-2023). Removed faulty link to prior year schedules and replaced with actual prior year schedules. (IPU 23U0324 issued 02-28-2023). Corrected the line number for taxable income. (IPU 23U0527 issued 04-21-2023)
- (90) Exhibit 3.12.14-36 **Taxpayer Notice Codes** - Added TPNCs 73 and 74 per new programming.
- (91) Exhibit 3.12.14-39 **No Reply Procedures** - Corrected reference to line 2b of Schedule G to General Business Credit.
- (92) Exhibit 3.12.14-44 **Tax Years and Credit Reduction States** - Added Credit Reduction states for tax year 2022. Removed reference to outdated Schedule H job aid. (IPU 23U0131 issued 01-19-2023)
- (93) Exhibit 3.12.14-45 **Acronyms and Abbreviations** - Changed Correspondence Imaging System (CIS) to Correspondence Imaging Inventory (CII). (IPU 23U0123 issued 01-18-2023) Added EPE and DPE.
- (94) Revised the Internal Revenue Manual (IRM), where necessary, for the following types of editorial changes:
 - Plain language, simpler words
 - Spelling, grammar, and formatting
 - IRM references, citations, and links
 - Form titles
 - IRM graphics and alternative text
 - Italics removed per IRM Style Guide

EFFECT ON OTHER DOCUMENTS

IRM 3.12.14 dated November 09, 2022 (effective January 1, 2023), is superseded. The following IRM Procedural Updates (IPUs), issued January 18, 2023 through April 21, 2023, have been incorporated into this IRM: 23U0123, 23U0131, 23U0176, 23U0311, 23U0324 and 23U0527.

AUDIENCE

Wage and Investment Submission Processing Error Resolution Tax Examiners.

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3.12.14

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N)

Table of Contents

- 3.12.14.1 Program Scope and Objectives
 - 3.12.14.1.1 Background
 - 3.12.14.1.2 Authority
 - 3.12.14.1.3 Responsibilities
 - 3.12.14.1.4 Program Management and Review
 - 3.12.14.1.5 Program Controls
 - 3.12.14.1.6 Terms/Definitions
 - 3.12.14.1.7 Related Resources
 - 3.12.14.1.8 Acronyms and Abbreviations
- 3.12.14.2 ♦Business Master File (BMF) Consistency♦
 - 3.12.14.2.1 ♦Taxpayer Advocate Service (TAS)♦
 - 3.12.14.2.1.1 ♦TAS - Service Level Agreements (SLAs)♦
 - 3.12.14.2.2 ♦IRM Deviation Procedures♦
 - 3.12.14.2.3 ♦Business Master File (BMF) Identity Theft♦
 - 3.12.14.2.4 ♦Use of Fax for Taxpayer Submissions♦
 - 3.12.14.2.5 ♦IRS Employee Contacts♦
 - 3.12.14.2.6 ♦CADE 2♦
 - 3.12.14.2.7 ♦Criminal Investigation (CI) Referrals♦
 - 3.12.14.2.8 ♦Examination (Exam) “Funny Box”♦
 - 3.12.14.2.9 ♦Frivolous Returns and Claims♦
- 3.12.14.3 Schedules Found in Form 1041
- 3.12.14.4 Organization, Function and Program (OFP) Codes
- 3.12.14.5 Related Forms
- 3.12.14.6 General Information
 - 3.12.14.6.1 General Correction Procedures
 - 3.12.14.6.1.1 Perfecting Form 1041 and Error Screen Displays
 - 3.12.14.6.1.2 Error Displays and Corrections
 - 3.12.14.6.2 Correspondence
 - 3.12.14.6.2.1 ♦Correspondence Imaging Inventory (CII) Returns♦
 - 3.12.14.6.3 Action Codes
 - 3.12.14.6.4 Command Codes
 - 3.12.14.6.5 Taxpayer Notice Codes (TPNC) - 6 Positions
 - 3.12.14.6.6 Clear Codes
 - 3.12.14.6.6.1 Clear Code “C”
 - 3.12.14.6.6.2 Error Codes

- 3.12.14.6.6.3 Clear Code 000
- 3.12.14.6.7 Transshipment of Returns to OSPC (Form 4720, Form 5227, and Form 99X)
- 3.12.14.6.8 ♦Working Trail♦
- 3.12.14.6.9 IRC 6020(b) Returns
- 3.12.14.6.10 Streamlined Filing Compliance Process (Ogden Only)
- 3.12.14.6.11 Refund Returns 45 Day Jeopardy and \$100 Million or more Refunds
- 3.12.14.6.12 Section 965 Returns - General Information
 - 3.12.14.6.12.1 Section 965 Returns - Tax Period 202012 - 202111
 - 3.12.14.6.12.2 Section 965 Returns - Tax Period 201912 - 202011
 - 3.12.14.6.12.3 Section 965 Returns - Tax Period 201812 - 201911
 - 3.12.14.6.12.4 Section 965 Returns - Tax Period 201712 - 201811
 - 3.12.14.6.12.5 Section 965 Returns Suspense Correction
- 3.12.14.6.13 Elective or Deemed Payment Election (DPE) and Credit Transfers
- 3.12.14.7 Types of Errors
 - 3.12.14.7.1 General
 - 3.12.14.7.2 Priority I Errors - Action Code/Unpostable Code Errors
 - 3.12.14.7.3 Priority II Errors - Section Errors
 - 3.12.14.7.4 Priority III Errors - Field Errors
 - 3.12.14.7.5 Part IV Errors - Consistency/Math Errors
- 3.12.14.8 Section 01 - Entity Remittance and Miscellaneous Information
 - 3.12.14.8.1 General Information
 - 3.12.14.8.2 Error Record Format - Section 01
 - 3.12.14.8.3 Field 01NC - Name Control
 - 3.12.14.8.4 Field 01EIN - Employer Identification Number
 - 3.12.14.8.5 Field 01TXP - Tax Period
 - 3.12.14.8.6 Field 01FID - Fiduciary Code
 - 3.12.14.8.7 Field 01TRC - Trust Code
 - 3.12.14.8.8 Field 01CCC - Computer Condition Code
 - 3.12.14.8.9 Field 01RCD - Received Date
 - 3.12.14.8.10 Field 01FIN - Fiduciary EIN
 - 3.12.14.8.11 Field 01CBI - Paid Preparer Check Box Indicator
 - 3.12.14.8.12 Field 01PSN - Paid Preparer's TIN (PTIN)
 - 3.12.14.8.13 Field 01PEN - Paid Preparer EIN
 - 3.12.14.8.14 Field 01PTN - Paid Preparer Telephone Number
 - 3.12.14.8.15 Field 01CRD-- Correspondence Received Date
 - 3.12.14.8.16 Field 01ADC - Audit Codes
 - 3.12.14.8.17 Field 01ESB - ESBT Indicator
 - 3.12.14.8.18 Field 01PII - Pooled Income Fund Indicator
 - 3.12.14.8.19 Field 01PIC - Penalty and Interest Code

- 3.12.14.8.20 Field 01MSC - Missing Schedule Code
- 3.12.14.8.21 Field 01ISI - Installment Sales Indicator
- 3.12.14.8.22 Field 01HSC - Historic Structure Code
- 3.12.14.8.23 Field 01QNT - Number of Trusts (Form 1041-QFT)
- 3.12.14.8.24 Field 01EWI - E-file Mandate Waiver Indicator
- 3.12.14.8.25 Field 01RPC - Return Processing Code (RPC)
- 3.12.14.9 Section 02 - Address Fields
 - 3.12.14.9.1 Foreign Addresses (OSPC Only)
 - 3.12.14.9.2 Error Record Format - Section 02
 - 3.12.14.9.3 ♦Field 02CON - In-Care-of Name (35 Positions)♦
 - 3.12.14.9.4 ♦Field 02FAD - Foreign Address ♦
 - 3.12.14.9.5 Field 02ADD - Street Address (35 Positions)
 - 3.12.14.9.6 Field 02CTY - City (22 Positions)
 - 3.12.14.9.7 Field 02ST - State (2 Positions)
 - 3.12.14.9.8 Field 02ZIP - ZIP Code (9 Positions)
- 3.12.14.10 Section 04 - Income and Deductions Fields
 - 3.12.14.10.1 Error Record Format - Section 04
 - 3.12.14.10.2 Invalid Condition - Section 04
 - 3.12.14.10.3 Correction Procedures - Section 04
 - 3.12.14.10.3.1 Field 0401 - Interest Income
 - 3.12.14.10.3.2 Field 042A - Ordinary Dividends
 - 3.12.14.10.3.3 Field 042B2 - Qualified Dividends
 - 3.12.14.10.3.4 Field 0403 - Business Income or Loss
 - 3.12.14.10.3.5 Field 0404 - Capital Gain or Loss
 - 3.12.14.10.3.6 Field 0405 - Rents, Royalties, Partnerships, Estates & Trust Income
 - 3.12.14.10.3.7 Field 0406 - Farm Income or Loss
 - 3.12.14.10.3.8 Field 0407 - Ordinary Gains or Losses
 - 3.12.14.10.3.9 Field 04BLA - Form 461 Business Losses Amount
 - 3.12.14.10.3.10 Field 0408 - Other Income
 - 3.12.14.10.3.11 Field 0409 - Total Income
 - 3.12.14.10.3.12 Field 0410 - Interest Deduction
 - 3.12.14.10.3.13 Field 0411 - Taxes Deducted
 - 3.12.14.10.3.14 Field 0412 - Fiduciary Fees
 - 3.12.14.10.3.15 Field 0413 - Charitable Deductions
 - 3.12.14.10.3.16 Field 0414 - Attorney, Accountant, and Preparer Fees
 - 3.12.14.10.3.17 Field 0415A - Other Deductions
 - 3.12.14.10.3.18 Field 0415B - Net Operating Loss Deductions
 - 3.12.14.10.3.19 Field 04MID - Allowable Miscellaneous Itemized Deductions
 - 3.12.14.10.3.20 Field 04NEX - Exemption (1041-N only)

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- 3.12.14.10.3.21 Field 0416 - Total Basic Deductions
 - 3.12.14.10.3.22 Field 0418 - Income Distribution Deduction
 - 3.12.14.10.3.23 Field 0419 - Estate Tax Deductions
 - 3.12.14.10.3.24 Field 0420 - Qualified Business Income Deduction (QBID)
 - 3.12.14.10.3.25 Field 0220V - Qualified Business Income Deduction Verified (QBID)
 - 3.12.14.10.3.26 Field 0421 - Exemption
 - 3.12.14.10.3.27 Field 0422 - Total Deduction Amount
 - 3.12.14.10.3.28 Field 0423 - Taxable income
 - 3.12.14.11 Section 05 - Tax Computation Data
 - 3.12.14.11.1 Error Record Format - Section 05
 - 3.12.14.11.2 Invalid Condition - Section 05
 - 3.12.14.11.3 Field 05G1A - Gross Tax
 - 3.12.14.11.4 Field 05G1B - Tax on Lump-Sum Distributions (Form 4972)
 - 3.12.14.11.5 Field 05G1C - Alternative Minimum Tax (Schedule I)
 - 3.12.14.11.6 Field 05G1D - Total Tax (Schedule G)
 - 3.12.14.11.7 Field 05GVT - Gross Verified Tax (Schedule G)
 - 3.12.14.11.8 Field 05G2A - Foreign Tax Credit (Form 1116)
 - 3.12.14.11.9 Field 05G2B - General Business Credits (Form 3800)
 - 3.12.14.11.10 Field 052BV - General Business Credit Verified (ERS Input Only)
 - 3.12.14.11.11 Field 05G2C - Credit for Prior Year Minimum Tax (Form 8801)
 - 3.12.14.11.12 Field 05G2D - Bond Credit (Form 8912)
 - 3.12.14.11.13 Field 05G2N - Other Non-Business Credit (ERS Input Only)
 - 3.12.14.11.14 Field 05G04 - Small Business Trust Tax (EBST)
 - 3.12.14.11.15 Field 05G05 - Net Investment Income Tax
 - 3.12.14.11.16 Field 05GIC - Recapture Taxes (Form 4255)
 - 3.12.14.11.17 Field 05GLH - Recapture Taxes (Form 8611)
 - 3.12.14.11.18 Field 05G06 - Other Recapture Taxes
 - 3.12.14.11.19 Field 05G07 - Household Employment Taxes (Schedule H)
 - 3.12.14.11.20 Field 05G08 - Other Taxes
 - 3.12.14.11.21 Field 05QTX - QFT Tax (Form 1041-QFT and Form 1041-N)
 - 3.12.14.11.22 Field 05QC - QFT Credits (Form 1041-QFT and Form 1041-N)
 - 3.12.14.11.23 Field 0524 - Total Tax
 - 3.12.14.11.24 Field 05MCT - Manually Corrected Tax
 - 3.12.14.11.25 Field 0525 - Net 965 Tax Liability Paid Form 965-A
 - 3.12.14.11.26 Field 05G10 - Estimated Tax Payment
 - 3.12.14.11.27 Field 05G11 - Beneficiary Allocation
 - 3.12.14.11.28 Field 05G13 - Tax Paid with Extension
 - 3.12.14.11.29 Field 05G14 - Federal Income Tax Withheld
 - 3.12.14.11.30 Field 05G15 - Net 965 Tax Liability Form 965-A

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- 3.12.14.11.31 Field 0516A - Payments from Form 2439
 - 3.12.14.11.32 Field 05EPE - Elective Payment Election Amount from Form 3800
 - 3.12.14.11.33 Field 05EPV - Elective Payment Election Amount Verified (ERS input only)
 - 3.12.14.11.34 Field 05OCP - Other Credits or Payments
 - 3.12.14.11.35 Field 05G17 - Credit for Qualified Sick and Family Leave wages for leave taken before April 1, 2021
 - 3.12.14.11.36 Field 0518A - Credit for qualified sick and family leave wages for leave taken after March 31, 2021 and before October 1, 2021
 - 3.12.14.11.37 Field 0518B - Deferred Social Security Tax Schedule H
 - 3.12.14.11.38 Field 05DAC - Digital Asset Checkbox
 - 3.12.14.11.39 Field 0526 - Total Payments
 - 3.12.14.11.40 Field 05TCV - Total Credits Verified (ERS input only)
 - 3.12.14.11.41 Field 0527 - Estimated Tax Penalty
 - 3.12.14.11.42 Field 05B/D - Tax Due/Overpayment
 - 3.12.14.11.43 Field 0530A - Credit Elect
 - 3.12.14.11.44 Field 0530B - Refund
 - 3.12.14.12 Section 06 - Schedule I & Form 4952
 - 3.12.14.12.1 Error Record Format - Section 06
 - 3.12.14.12.2 Invalid Condition
 - 3.12.14.12.3 Correction Procedures
 - 3.12.14.12.3.1 Field 06I22 - Alternative Tax Net Operating Loss Deduction (NOLD)
 - 3.12.14.12.3.2 Field 06I23 - Adjusted Alternative Minimum Taxable Income
 - 3.12.14.12.3.3 Field 06I24 - Income Distribution Deduction on Minimum Tax
 - 3.12.14.12.3.4 Field 06I51 - Alternative Minimum Foreign Tax Credit
 - 3.12.14.12.3.5 Field 06IAV - Alternative Minimum Tax Verified
 - 3.12.14.12.3.6 Field 06D4E - Gain From Disposition of Property
 - 3.12.14.12.3.7 Field 06D4G - Included in Investment Income
 - 3.12.14.13 Section 07 - Schedule H (Form 1040), Household Employment Taxes
 - 3.12.14.13.1 Error Record Format - Section 07
 - 3.12.14.13.2 Invalid Conditions
 - 3.12.14.13.3 Correction Procedures
 - 3.12.14.13.3.1 Field 0701A - Total Cash Wages Subject to Social Security Tax
 - 3.12.14.13.3.2 Field 0701B - Qualified Sick & Family Leave Wages
 - 3.12.14.13.3.3 Field 0703 - Total Medicare Wages
 - 3.12.14.13.3.4 Field 0705 - Total Cash Wages Subject to Additional Medicare Tax Withholding
 - 3.12.14.13.3.5 Field 0706 - Additional Medicare Tax Withholding
 - 3.12.14.13.3.6 Field 0707 - Federal Income Tax Withheld
 - 3.12.14.13.3.7 Field 0708A - Total SS/Medicare/WH Taxes

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- 3.12.14.13.3.8 Field 0708B - Non-Refundable Credit Qualified Sick & Family Leave for Leave Taken Before April 1, 2021
 - 3.12.14.13.3.9 Field 0708C - Non-Refundable Credit Qualified Sick & Family Leave for Leave Taken after March 31, 2021
 - 3.12.14.13.3.10 Field 0708D - Total Social Security, Medicare, and Federal Income Taxes After Nonrefundable Credits.
 - 3.12.14.13.3.11 Field 0708V - Total Social Security, Medicare, and Federal Income Taxes After Nonrefundable Credits Verified.
 - 3.12.14.13.3.12 Field 07DEF - Maximum Social Security Tax Deferred
 - 3.12.14.13.3.13 Field 0708E - Refundable Credit for Qualified Sick and Family Leave Wages for Leave Taken Before April 1, 2021
 - 3.12.14.13.3.14 Field 0708F - Refundable Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021
 - 3.12.14.13.3.15 Field 0797- Advance EIC
 - 3.12.14.13.3.16 Field 0798 - Net SS/Medicare/WH taxes - 2010 and prior returns
 - 3.12.14.13.3.17 Field 07FIN - Schedule H FUTA Yes/No Indicator
 - 3.12.14.13.3.18 Field 07SC1 - State Code 1
 - 3.12.14.13.3.19 Field 07SC2 - State Code 2
 - 3.12.14.13.3.20 Fields 07SC3 through 07SC5 - State Codes 3 through 5
 - 3.12.14.13.3.21 Field 07ASI - More Than 5 States Indicator
 - 3.12.14.13.3.22 Field 07FCP - Unemployment Contributions Paid
 - 3.12.14.13.3.23 Field 07TFW - Total FUTA Wages
 - 3.12.14.13.3.24 Field 07FTX - FUTA Tax
 - 3.12.14.13.3.25 Field 07FTV - FUTA Tax Verified
 - 3.12.14.13.3.26 Field 07TTC - Tentative Credit
 - 3.12.14.13.3.27 Field 07TCR - Total Credit Reduction Amount
 - 3.12.14.13.3.28 Fields 07CC1 - through 07CC5 - Credit Reduction States 1 through 5
 - 3.12.14.13.3.29 Fields 07CW1 through 07CW5 - Credit Reduction Wages 1 through 5
 - 3.12.14.14 Section 10 - Schedule D (1041), Capital Gains and Losses & Form 8949
 - 3.12.14.14.1 Error Record Format - Section 10
 - 3.12.14.14.2 Invalid Condition
 - 3.12.14.14.3 Correction Procedures
 - 3.12.14.14.3.1 Field 10OID - Schedule D Qualified Opportunity Fund Investment Disposal Indicator
 - 3.12.14.14.3.2 Fields 101AD through 1043 - Schedule D Lines 1a through 43
 - 3.12.14.14.3.3 Fields 101AZ, 101BZ, 101GZ, & 101Z - "Z" Code Form 8949 Short Term Property Data Part I
 - 3.12.14.14.3.4 Fields 101AY, 101CY, 101GY, & 101Y - "Y" Code Form 8949 Short Term Property Data Part I

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- 3.12.14.14.3.5 Fields 102AZ, 102BZ, 102GZ, & 102Z - "Z" Code Form 8949 Long Term Property Data Part II
 - 3.12.14.14.3.6 Fields 102AY, 102CY, 102GY, & 102Y - "Y" Code Form 8949 Long Term Property Data Part II
 - 3.12.14.15 Section 13 - Form 8995 or Form /8995-A, Qualified Business Income Deduction Computation
 - 3.12.14.15.1 Error Record Format - Section 13
 - 3.12.14.15.2 Invalid Conditions
 - 3.12.14.15.3 Correction Procedures
 - 3.12.14.16 Sections 15 through 18 - Form 4136 (Credit for Federal Tax Paid on Fuels)
 - 3.12.14.16.1 Error Record Format - Section 15
 - 3.12.14.16.2 Error Record Format - Section 16
 - 3.12.14.16.3 Error Record Format - Section 17
 - 3.12.14.16.4 Error Record Format - Section 18
 - 3.12.14.17 Section 19 - Form 8978, Partner's Audit Liability Under Section 6226
 - 3.12.14.17.1 Error Record Format - Section 19
 - 3.12.14.17.2 Invalid Conditions
 - 3.12.14.17.3 Correction Procedures
 - 3.12.14.18 Section 20 - Form 965-A, Individual Report of Net 965 Tax Liability
 - 3.12.14.18.1 Error Record Format - Section 20
 - 3.12.14.18.2 Invalid Conditions
 - 3.12.14.18.3 Correction Procedures
 - 3.12.14.19 Section 21 - Form 8941, Credit for Small Employer Health Insurance Premiums
 - 3.12.14.19.1 Error Record Format - Section 21
 - 3.12.14.20 Section 22 - Form 5884-B, New Hire Retention Credit
 - 3.12.14.20.1 Error Record Format - Section 22
 - 3.12.14.21 Sections 23 through 25 - Form 3800, General Business Credit
 - 3.12.14.21.1 Section 23 - Fields Displayed
 - 3.12.14.21.1.1 Field 2301E - Disabled Access Credit - (Form 8826)
 - 3.12.14.21.2 Section 24 - Fields Displayed
 - 3.12.14.21.3 Section 25 - Fields Displayed
 - 3.12.14.22 Section 26 Data - Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments
 - 3.12.14.22.1 Section 26 Field Errors
 - 3.12.14.22.2 Fields 261A, 262A, 263A and 264A
 - 3.12.14.22.3 Fields 261B, 262B, 263B and 264B
 - 3.12.14.22.4 Fields 261D, 262D, 263D and 264D
 - 3.12.14.22.5 Fields 261IN, 262IN, 263IN and 264IN
 - 3.12.14.22.6 All other Fields in Section 26
 - 3.12.14.23 Section 28 - Form 8960, Net Investment Income Tax-Individuals, Estates, and Trusts

- 3.12.14.23.1 Error Record Format - Section 28
- 3.12.14.23.2 Invalid Conditions
- 3.12.14.23.3 Correction Procedures
 - 3.12.14.23.3.1 Field 2800A - Investment Income Check Boxes
- 3.12.14.24 Section 31- Form 8936, Schedule A - Clean Vehicle Credits
 - 3.12.14.24.1 Section 31 - Fields Displayed
 - 3.12.14.24.2 Fields 311IN and 312IN - VIN Indicator
 - 3.12.14.24.3 Field 313IN - More than two Schedule As (Form 8936) Indicator
- 3.12.14.25 Priority IV Errors - Error Codes 001 Through 999
 - 3.12.14.25.1 ♦Error Code 001 - Tax Year - Invalid Entry♦
 - 3.12.14.25.2 ♦Error Code 002 - Name Control Mismatch♦
 - 3.12.14.25.3 ♦Error Code 003 - Check Digit Invalid♦
 - 3.12.14.25.4 ♦Error Code 004 - Name Control/EIN Validation♦
 - 3.12.14.25.5 ♦Error Code 007 - Received Date Earlier Than Tax Year♦
 - 3.12.14.25.6 ♦Error Code 010 - Amended Return “G” Coded♦
 - 3.12.14.25.6.1 Fields Displayed - EC 010
 - 3.12.14.25.6.2 Invalid Condition - EC 010
 - 3.12.14.25.6.3 Correction Procedures - EC 010
 - 3.12.14.25.7 Error Code 011 - Remittance/No Section 5
 - 3.12.14.25.7.1 Invalid Condition - Error Code 011
 - 3.12.14.25.7.2 Correction Procedures - Error Code 011
 - 3.12.14.25.8 ♦Error Code 014 - Missing Address Entries♦
 - 3.12.14.25.9 ♦Error Code 015 - Foreign Address/State♦
 - 3.12.14.25.10 ♦Error Code 016 - ZIP Code/State Mismatch♦
 - 3.12.14.25.11 Error Code 026 - Tax Period
 - 3.12.14.25.11.1 Invalid Condition - Error Code 026
 - 3.12.14.25.11.2 Correction Procedures - Error Code 026
 - 3.12.14.25.11.3 Suspense Correction - Error Code 026
 - 3.12.14.25.12 Error Code 030 - Penalty and Interest Code
 - 3.12.14.25.12.1 Invalid Condition - Error Code 030
 - 3.12.14.25.12.2 Correction Procedures - Error Code 030
 - 3.12.14.25.13 Error Code 034 - Correspondence Received Date/Received Date
 - 3.12.14.25.13.1 Invalid Condition - Error Code 034
 - 3.12.14.25.13.2 Correction Procedures - Error Code 034
 - 3.12.14.25.14 Error Code 062 - Low Income Housing
 - 3.12.14.25.14.1 Invalid Condition-- Error Code 062
 - 3.12.14.25.14.2 Correction Procedures - Error Code 062
 - 3.12.14.25.15 Error Code 073 - CCC “3” and Correspondence Received Date
 - 3.12.14.25.15.1 Invalid Condition - Error Code 073

- 3.12.14.25.15.2 Correction Procedures - Error Code 073
- 3.12.14.25.16 Error Code 162 - Section 07 Total Wages Differ or are Below Minimum Taxable Wages
 - 3.12.14.25.16.1 Invalid Condition - Error Code 162
 - 3.12.14.25.16.2 Correction Procedures - Error Code 162
- 3.12.14.25.17 Error Code 163 - GBC Claimed Exceed Limits
 - 3.12.14.25.17.1 Invalid Condition - Error Code 163
 - 3.12.14.25.17.2 Correction Procedures - Error Code 163
 - 3.12.14.25.17.3 Valid Taxpayer Notice Codes for Error Code 163
- 3.12.14.25.18 Error Code 174 - Advanced EIC is Greater Than Total Medicare Wages
 - 3.12.14.25.18.1 Invalid Condition - Error Code 174
 - 3.12.14.25.18.2 Correction Procedures - Error Code 174
- 3.12.14.25.19 Error Code 175 - Schedule H (Fields 07FIN and 07TTC)
 - 3.12.14.25.19.1 Invalid Condition - Error Code 175
 - 3.12.14.25.19.2 Correction Procedures - Error Code 175
- 3.12.14.25.20 Error Code 176 - Schedule H (Fields 07TTC and 07TFW)
 - 3.12.14.25.20.1 Invalid Condition - Error Code 176
 - 3.12.14.25.20.2 Correction Procedures - Error Code 176
 - 3.12.14.25.20.3 Suspense Correction - Error Code 176
- 3.12.14.25.21 Error Code 177 - Schedule H State Code
 - 3.12.14.25.21.1 Invalid Condition - Error Code 177
 - 3.12.14.25.21.2 Correction Procedures - Error Code 177
- 3.12.14.25.22 Error Code 181 - Schedule H
 - 3.12.14.25.22.1 Invalid Condition - Error Code 181
 - 3.12.14.25.22.2 Correction Procedures - Error Code 181
 - 3.12.14.25.22.3 Suspense Correction - Error Code 181
- 3.12.14.25.23 Error Code 183 - Schedule H Credits
 - 3.12.14.25.23.1 Invalid Condition - Error Code 183
 - 3.12.14.25.23.2 Correction Procedures - Error Code 183
- 3.12.14.25.24 Error Code 184 - Schedule H Credits
 - 3.12.14.25.24.1 Invalid Condition - Error Code 184
 - 3.12.14.25.24.2 Correction Procedures - Error Code 184
- 3.12.14.25.25 Reserved
- 3.12.14.25.26 Error Code 188 - Schedule H (07ASI without 07SC5)
 - 3.12.14.25.26.1 Invalid Condition - Error Code 188
 - 3.12.14.25.26.2 Correction Procedures - Error Code 188
- 3.12.14.25.27 Error Code 830 - 01FID blank
 - 3.12.14.25.27.1 Invalid Condition - Error Code 830
 - 3.12.14.25.27.2 Correction Procedures - Error Code 830
- 3.12.14.25.28 Error Code 832 - Fiduciary/Trust Code

- 3.12.14.25.28.1 Invalid Condition - Error Code 832
- 3.12.14.25.28.2 Correction Procedures - Error Code 832
- 3.12.14.25.29 Error Code 834 - TIN issues
 - 3.12.14.25.29.1 Invalid Condition - Error Code 834
 - 3.12.14.25.29.2 Correction Procedures - Error Code 834
- 3.12.14.25.30 Error Code 836 - Credit Elect
 - 3.12.14.25.30.1 Invalid Condition - Error Code 836
 - 3.12.14.25.30.2 Correction Procedures - Error Code 836
- 3.12.14.25.31 Error Code 839 - Bankruptcy
 - 3.12.14.25.31.1 Invalid Condition - Error Code 839
 - 3.12.14.25.31.2 Correction Procedures - Error Code 839
 - 3.12.14.25.31.3 Suspense Correction - Error Code 839
- 3.12.14.25.32 Error Code 840 - Form 8941, SHOP Check boxes
 - 3.12.14.25.32.1 Invalid Condition - Error Code 840
 - 3.12.14.25.32.2 Correction Procedures - Error Code 840
 - 3.12.14.25.32.3 Suspense Correction - Error Code 840
- 3.12.14.25.33 Error Code 842 - Total Income
 - 3.12.14.25.33.1 Invalid Condition - Error Code 842
 - 3.12.14.25.33.2 Correction Procedures - Error Code 842
 - 3.12.14.25.33.3 Valid Taxpayer Notice Codes - Error Code 842
- 3.12.14.25.34 Error Code 845 - Basic Deductions
 - 3.12.14.25.34.1 Invalid Condition — Error Code 845
 - 3.12.14.25.34.2 Correction Procedures — Error Code 845
 - 3.12.14.25.34.3 Suspense Correction - Error Code 845
 - 3.12.14.25.34.4 Valid Taxpayer Notice Codes-Error Code 845
- 3.12.14.25.35 Error Code 846 - Qualified Business Income Deduction Amount (QBID) (Qualifying Claim Check)
 - 3.12.14.25.35.1 Fields Displayed (EC 846)
 - 3.12.14.25.35.2 Invalid Conditions (EC 846)
 - 3.12.14.25.35.3 Correction Procedures (EC 846)
 - 3.12.14.25.35.4 Suspense Correction Procedures (EC 846)
- 3.12.14.25.36 Error Code 847 - Qualified Business Income Deduction Amount (QBID) (Math Error)
 - 3.12.14.25.36.1 Fields Displayed (EC 847)
 - 3.12.14.25.36.2 Invalid Conditions (EC 847)
 - 3.12.14.25.36.3 Correction Procedures (EC 847)
 - 3.12.14.25.36.4 Suspense Correction Procedures (EC 847)
 - 3.12.14.25.36.5 Valid Taxpayer Notice Codes (EC 847)
- 3.12.14.25.37 Error Code 848 - Exemptions and Total Tax Error
 - 3.12.14.25.37.1 Invalid Condition - Error Code 848

- 3.12.14.25.37.2 Correction Procedures - Error Code 848
- 3.12.14.25.37.3 Valid Taxpayer Notice Codes - Error Code 848
- 3.12.14.25.38 Error Code 851 - Total Special Deduction Amount
 - 3.12.14.25.38.1 Invalid Condition - Error Code 851
 - 3.12.14.25.38.2 Correction Procedures — Error Code 851
 - 3.12.14.25.38.3 Valid Taxpayer Notice Codes - Error Code 851
- 3.12.14.25.39 Error Code 854 - Taxable Income
 - 3.12.14.25.39.1 Invalid Condition - Error Code 854
 - 3.12.14.25.39.2 Correction Procedures - Error Code 854
 - 3.12.14.25.39.3 Valid Taxpayer Notice Codes - Error Code 854
- 3.12.14.25.40 Error Code 857 - Gross Tax
 - 3.12.14.25.40.1 Invalid Condition - Error Code 857
 - 3.12.14.25.40.2 Correction Procedures - Error Code 857
 - 3.12.14.25.40.2.1 Field 05G1A (Schedule G Gross Tax)
 - 3.12.14.25.40.2.2 Field 05TRS> (Tax per Tax Rate Schedule)
 - 3.12.14.25.40.2.3 Field 1043 (Schedule D - Line 43)
 - 3.12.14.25.40.2.4 Field 06D4E - Form 4952, Line 4e
 - 3.12.14.25.40.2.5 Field 06D4G - Form 4952, Line 4g
 - 3.12.14.25.40.2.6 Other Taxes Indicated
 - 3.12.14.25.40.3 Valid Taxpayer Notice Code - Error Code 857
- 3.12.14.25.41 Error Code 860 - Alternative Minimum Tax
 - 3.12.14.25.41.1 Invalid Condition - Error Code 860
 - 3.12.14.25.41.2 Correction Procedures - Error Code 860
 - 3.12.14.25.41.3 Valid Taxpayer Notice Codes — Error Code 860
- 3.12.14.25.42 Error Code 861 - Net Investment Income Tax
 - 3.12.14.25.42.1 Invalid Condition - Error Code 861
 - 3.12.14.25.42.2 Correction Procedures - Error Code 861
 - 3.12.14.25.42.3 Valid Taxpayer Notice Codes - Error Code 861
- 3.12.14.25.43 Error Code 863 - Schedule G Total Tax
 - 3.12.14.25.43.1 Invalid Condition - Error Code 863
 - 3.12.14.25.43.2 Correction Procedures - Error Code 863
 - 3.12.14.25.43.2.1 Field 05G1A (Schedule G Gross Tax)
 - 3.12.14.25.43.2.2 Field 05G1B (Tax on Lump-Sum Distributions - Form 4972)
 - 3.12.14.25.43.2.3 Field 05G1C (Alternative Minimum Tax - Schedule I)
 - 3.12.14.25.43.2.4 Field 05G1D (Total Gross Tax)
 - 3.12.14.25.43.2.5 Field 05GVT (Schedule G - Total Gross Tax Verified)
 - 3.12.14.25.43.3 Valid Taxpayer Notice Codes - Error Code 863
- 3.12.14.25.44 Error Code 864 - Clean Vehicle Credit (CVC) Disallowance
 - 3.12.14.25.44.1 Invalid Condition - Error Code 864:

- 3.12.14.25.44.2 Correction Procedures - Error Code 864:
- 3.12.14.25.45 Error Code 866 - General Business Credits
 - 3.12.14.25.45.1 Invalid Condition - Error Code 866
 - 3.12.14.25.45.2 Correction Procedures - Error Code 866
 - 3.12.14.25.45.3 Valid Taxpayer Notice Codes - Error Code 866
- 3.12.14.25.46 Error Code 868 - Credit for Small Employer Health Insurance Premiums (Form 8941)
 - 3.12.14.25.46.1 Invalid Condition - Error Code 868
 - 3.12.14.25.46.2 Correction Procedures - Error Code 868
 - 3.12.14.25.46.3 Valid Taxpayer Notice Codes - Error Code 868
- 3.12.14.25.47 Error Code 870 - Check Refundable Credit Qualified Sick & Family Leave Schedule H Amount (L17, Sch. G)
 - 3.12.14.25.47.1 Invalid Condition - Error Code 870
 - 3.12.14.25.47.2 Correction Procedures - Error Code 870
- 3.12.14.25.48 Error Code 871 - Check Deferred Social Security Tax Schedule H Amount (L18, Sch. G)
 - 3.12.14.25.48.1 Invalid Condition - Error Code 871
 - 3.12.14.25.48.2 Correction Procedures - Error Code 871
- 3.12.14.25.49 Error Code 872 - Schedule H SS Taxes
 - 3.12.14.25.49.1 Invalid Condition - Error Code 872
 - 3.12.14.25.49.2 Correction Procedures - Error Code 872
 - 3.12.14.25.49.3 Suspense Correction - Error Code 872
 - 3.12.14.25.49.4 Valid Taxpayer Notice Codes - Error Code 872
- 3.12.14.25.50 Error Code 875 - Check Schedule H Total Social Security, Medicare, & Withheld Taxes (Field 0798)
 - 3.12.14.25.50.1 Invalid Condition - Error Code 875
 - 3.12.14.25.50.2 Correction Procedures - Error Code 875
 - 3.12.14.25.50.3 Valid Taxpayer Notice Codes - Error Code 875
- 3.12.14.25.51 Error Code 878 - Check Schedule H FUTA Tax (Field 07FTX)
 - 3.12.14.25.51.1 Invalid Condition - Error Code 878
 - 3.12.14.25.51.2 Correction Procedures - Error Code 878
 - 3.12.14.25.51.3 Valid Taxpayer Notice Codes - Error Code 878
- 3.12.14.25.52 Error Code 881 - Check Schedule G Household Employment Taxes (Field 0507G)
 - 3.12.14.25.52.1 Invalid Condition - Error Code 881
 - 3.12.14.25.52.2 Correction Procedures - Error Code 881
 - 3.12.14.25.52.3 Valid Taxpayer Notice Codes - Error Code 881
- 3.12.14.25.53 Error Code 884 - Schedule H Field 07CWC greater than Field 07TFW
 - 3.12.14.25.53.1 Invalid Condition - Error Code 884
 - 3.12.14.25.53.2 Correction Procedures - Error Code 884
 - 3.12.14.25.53.3 Valid Taxpayer Notices Codes - Error Code 884
- 3.12.14.25.54 Error Code 887 - Total Tax

- 3.12.14.25.54.1 Invalid Condition - Error Code 887
- 3.12.14.25.54.2 Correction Procedures - Error Code 887
 - 3.12.14.25.54.2.1 Field 05G1D - Total Tax
 - 3.12.14.25.54.2.2 Field 05G2A - Foreign Tax Credit (Form 1116)
 - 3.12.14.25.54.2.3 Field 05G2B - General Business Credits (Form 3800)
 - 3.12.14.25.54.2.4 Field 05G2C - Credit for Prior Year Minimum Tax (Form 8801)
 - 3.12.14.25.54.2.5 Field 05G2D - Bond Credits (Form 8912)
 - 3.12.14.25.54.2.6 Field 05G04 - Schedule G Small Business Trust Tax (ESBT)
 - 3.12.14.25.54.2.7 Field 05G05 - Net Investment Income Tax (Form 8960)
 - 3.12.14.25.54.2.8 Field 05GIC - Recapture Tax from Form 4255
 - 3.12.14.25.54.2.9 Field 05GLH - Recapture Tax from Form 8611
 - 3.12.14.25.54.2.10 Field 05G06 - Recapture Taxes (Form 4255/Form 8611)
 - 3.12.14.25.54.2.11 Field 05G07 - Household Employment Taxes (Schedule H)
 - 3.12.14.25.54.2.12 Field 05G08 - Schedule G Other Taxes
 - 3.12.14.25.54.2.13 Field 0524 - Total Tax
 - 3.12.14.25.54.2.14 Field 05MCT - Manually Corrected Tax
 - 3.12.14.25.54.2.15 Field 31RED> - Reduced amount of nonrefundable CVC credit
- 3.12.14.25.54.3 Section 965 Returns - General Information (Tax Period 201712 - 202111) (EC 887)
 - 3.12.14.25.54.3.1 Section 965 Returns - Tax Period 202012 -202111 (EC 887)
 - 3.12.14.25.54.3.2 Section 965 Returns - Tax Period 201912 - 202011 (EC 887)
 - 3.12.14.25.54.3.3 Section 965 Returns - Tax Period 201812 - 201911 (EC 887)
 - 3.12.14.25.54.3.4 Section 965 Returns - Tax Period 201712 - 201811 (EC 887)
 - 3.12.14.25.54.3.5 Section 965 Returns Suspense Correction - Tax Period 201712 - 202111 (EC 887)
- 3.12.14.25.54.4 Valid Taxpayer Notice Codes - Error Code 887
- 3.12.14.25.55 Error Code 890 - Elective Payment Election
 - 3.12.14.25.55.1 Invalid Condition - Error Code 890:
 - 3.12.14.25.55.2 Correction Procedures - Error Code 890:
- 3.12.14.25.56 Error Code 893 - Estimated Tax/Beneficiaries
 - 3.12.14.25.56.1 Invalid Condition - Error Code 893
 - 3.12.14.25.56.2 Correction Procedures - Error Code 893
- 3.12.14.25.57 Error Code 894 - Invalid Credit Reference Number (Form 4136)
 - 3.12.14.25.57.1 Invalid Condition - Error Code 894
 - 3.12.14.25.57.2 Correction Procedures - Error Code 894
 - 3.12.14.25.57.3 Valid Taxpayer Notice Codes - Error Code 894
- 3.12.14.25.58 Error Code 896 - Total Payments
 - 3.12.14.25.58.1 Invalid Condition - Error Code 896
 - 3.12.14.25.58.2 Correction Procedures - Error Code 896
 - 3.12.14.25.58.3 Valid Taxpayer Notice Codes - Error Code 896
- 3.12.14.25.59 Error Code 898 - Prior Year Returns (before 200612)

- 3.12.14.25.59.1 Invalid Condition - Error Code 898
- 3.12.14.25.59.2 Correction Procedures - Error Code 898
- 3.12.14.25.60 Error Code 902 - Balance Due/Refund
 - 3.12.14.25.60.1 Invalid Condition - Error Code 902
 - 3.12.14.25.60.2 Correction Procedures - Error Code 902
 - 3.12.14.25.60.3 Section 965 Returns - General Information (Tax Period 201712 - 202111) (EC 902)
 - 3.12.14.25.60.3.1 Section 965 Returns - Tax Period 202012 - 202111 (EC 902)
 - 3.12.14.25.60.3.2 Section 965 Returns - Tax Period 201912 - 202011 (EC 902)
 - 3.12.14.25.60.3.3 Section 965 Returns - Tax Period 201812 - 201911 (EC 902)
 - 3.12.14.25.60.3.4 Section 965 Returns - Tax Period 201712 - 201811 (EC 902)
 - 3.12.14.25.60.3.5 Section 965 Returns Suspense Correction - Tax Period 201712 - 202111 (EC 902)
 - 3.12.14.25.60.4 Valid Taxpayer Notice Codes - Error Code 902
- 3.12.14.25.61 Error Code 903 - High Dollar Refund
 - 3.12.14.25.61.1 Invalid Condition - Error Code 903
 - 3.12.14.25.61.2 Correction Procedures - Error Code 903
- 3.12.14.25.62 Error Code 904 - Total Tax Blank with Remittance
 - 3.12.14.25.62.1 Invalid Condition - Error Code 904
 - 3.12.14.25.62.2 Correction Procedures - Error Code 904
 - 3.12.14.25.62.3 Suspense Correction - Error Code 904
- 3.12.14.25.63 Error Code 905 - Expedite Processing of Refunds
 - 3.12.14.25.63.1 Invalid Condition - Error Code 905
 - 3.12.14.25.63.2 Correction Procedures - Error Code 905
- 3.12.14.25.64 Error Code 999 - End of Year
 - 3.12.14.25.64.1 Invalid Condition - Error Code 999
 - 3.12.14.25.64.2 Correction Procedures - Error Code 999
- 3.12.14.26 Manual Computation Instructions
 - 3.12.14.26.1 Short Period Returns (Initial or Final)
 - 3.12.14.26.2 Short Period Returns (Change of Accounting Period)
 - 3.12.14.26.3 52-53 Week Tax Period Filers
 - 3.12.14.26.4 Converting Form 1040, Form 1040-SR, Form 1040-A and Form 1040-EZ to Form 1041 - No Reply

Exhibits

- 3.12.14-1 Form 1041 (2023)
- 3.12.14-2 Form 1041 (2022)
- 3.12.14-3 Form 1041 (2020)
- 3.12.14-4 Schedule I
- 3.12.14-5 Form 4952
- 3.12.14-6 Schedule H (2023)

3.12.14-7	Schedule H (2020)
3.12.14-8	Schedule D
3.12.14-9	Form 8949
3.12.14-10	Form 8995, Form 8995-A & Schedule C (Form 8995-A)
3.12.14-11	Form 4136
3.12.14-12	Form 8978 & Schedule A (Form 8978)
3.12.14-13	Form 965-A, Individual Report of Net 965 Tax Liability (Field Designators)
3.12.14-14	Form 8936, Schedule A
3.12.14-15	Form 8941
3.12.14-16	Form 5884-B, New Hire Retention Credit (Field Designators)
3.12.14-17	Form 3800 (2023)
3.12.14-18	Form 3800 (2022)
3.12.14-19	Form 8960
3.12.14-20	Form 8997
3.12.14-21	Form 1041-N (2023)
3.12.14-22	Form 1041-N (2019)
3.12.14-23	Form 1041-QFT (2023)
3.12.14-24	Form 1041-QFT (2022)
3.12.14-25	Schedule K-1 (2023)
3.12.14-26	Error Code 026 Flowchart - Error Correction Procedures
3.12.14-27	Error Code 026 Flowchart - Suspense Correction Procedures
3.12.14-28	Error Code 857 - Resolution Checklist
3.12.14-29	Error Code 857 - Correspondence/TPNC Checklist
3.12.14-30	Error Code 894 - CRN Literals
3.12.14-31	Tax Rates (Form 1041)
3.12.14-32	Bankruptcy Estate Tax Rate Schedule
3.12.14-33	Prior Year Conversion Chart - Form 1041
3.12.14-34	Prior Year Conversion Chart for 1041 Sch D
3.12.14-35	Brief Error Code Listing for Form 1041
3.12.14-36	Taxpayer Notice Codes for Form 1041
3.12.14-37	ERS Action Codes
3.12.14-38	Statutory Credits
3.12.14-39	"No Reply" Procedures
3.12.14-40	General Definitions
3.12.14-41	◆Potential Frivolous Arguments for Examination Review◆
3.12.14-42	U.S. Territories State Abbreviations and ZIP Codes
3.12.14-43	Province, State and Territory Abbreviations

3.12.14-44 Tax Years and Credit Reduction States

3.12.14-45 Acronyms and Abbreviations

3.12.14.1
(01-01-2020)
Program Scope and Objectives

- (1) IRM 3.12.14 provides instructions for correcting errors on the Error Resolution Systems, made by taxpayers as well as those made during Submission Processing Campus operations for **all** the following Business Master File (BMF) forms:
 - Form 1041 (U.S. Income Tax Return for Estates and Trusts).
 - Form 1041-QFT (U.S. Income Tax Return for Qualified Funeral Trusts).
 - Form 1041-N (U.S. Income Tax Return for Electing Alaska Native Settlement Trusts).
- (2) **Purpose:** The Error Resolution System (ERS) is a means to resolve errors made by taxpayers and correct errors made during campus processing.
- (3) **Audience:** This IRM is used by the following employees:
 - Supervisory Tax Examining Assistant
 - Lead Tax Examining Technician
 - Tax Examining Technician.
- (4) **Policy Owner:** Director, Submission Processing.
- (5) **Program Owner:** Paper Processing Branch, Business Master File (BMF) Section.
- (6) **Primary Stakeholders:** 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 (TEGE), Compliance, Modernized E-file (MeF), and Submission Processing (SP).
- (7) Form 1041 is used by a fiduciary of a domestic estate, trust, or bankruptcy estate to report the following:
 - Income received by the estate or trust.
 - Income that is either accumulated, held for future distribution, or is distributed currently to the beneficiaries.
 - Any applicable tax liability of the fiduciary.
- (8) Form 1041-QFT was added to the Internal Revenue Code by the Taxpayer Relief Act of 1997 to permit certain trusts which previously filed Form 1041 as Grantor Trusts to elect Qualified Funeral Trust status.
 - All **domestic** Form 1041-QFT are processed at the Kansas City Submission Processing Center (KCSPC) **only**.
 - All **foreign** Form 1041 returns (including 1041-QFT) are processed at the Ogden Submission Processing Campus (OSPC) **only**.
 - If Form 1041-QFT is received at any Submission Processing Campus (SPC) **other than above**, process as follows:

If...	Then...
Unnumbered Form 1041-QFT	Detach and forward to: <ul style="list-style-type: none"> • Non-Foreign: Department of Treasury Internal Revenue Service Kansas City, MO 64999 • If foreign Department of Treasury Internal Revenue Service Ogden, UT 84201
Numbered Form 1041-QFT	SSPND 640 and attach Form 4227 with the notation "FORWARD TO KCSPC:" Department of Treasury Internal Revenue Service Kansas City, MO 64999. Note: If foreign send to OSPC with Form 4227 annotated appropriately. Department of Treasury Internal Revenue Service Ogden, UT 84201

- (9) Form 1041-N was added to the Internal Revenue Code by the Economic Growth and Tax Reconciliation Act of 2001. **All** Form 1041-N are processed at the Ogden Submission Processing Campus (OSPC) **only**.

- If Form 1041-N is received at any Submission Processing Campus **other than OSPC**, process as follows:

If...	Then...
Unnumbered Form 1041-N.	Detach and forward to OSPC: Department of Treasury Internal Revenue Service Ogden, UT 84201.
Numbered Form 1041-N.	SSPND 650 and attach Form 4227 with the notation "Forward to Ogden Submission Processing Campus" Department of Treasury Internal Revenue Service Ogden, UT 84201.

- (10) The Return Due Date for Forms 1041, 1041-QFT, and 1041-N is the fifteenth day of the fourth month after the Tax Period Ending (April 15 for calendar year returns).
- (11) This IRM cannot address every possibility that may arise while correcting Forms 1041. Taxpayer intent must be taken into consideration. In some cases,

it may be necessary to refer the issue to your Subject Matter Expert (SME), lead and/or manager to determine the proper corrective action.

- (12) Employees must be able to use sound judgement in some instances (i.e., when determining which Taxpayer Notice Code (TPNC) is the most appropriate to send, or determining when to correspond for clarification). If the judgement is made in the taxpayer's best interests and the reasoning is sound, no error should be charged.

3.12.14.1.1 (01-01-2019) Background

- (1) The purpose of Error Resolution is to resolve validity errors, field errors, consistency errors, and math errors in returns and other documents for posting to the Master File. Records fall out in ERS due to the Generalized Mainline Framework (GMF). The entries from transcription are transferred to ERS fields.
- (2) The GMF programming causes record to fall out to the Error Resolution System (ERS) if they fail to meet certain criteria, including:
 - Invalid characters in a field (i.e., numeric instead of alpha).
 - Invalid length of field (i.e., EIN with 8 digits instead of 9).
 - Invalid codes in field (Valid Action Codes, Audit Codes, etc., are programmed in GMF.)
 - Consistency errors - Any valid field used in any computation where the result is inconsistent with (or contradictory to) any other valid field.
 - Math errors - computer does math computation and it differs from the taxpayer's amount.
 - Invalid tax periods and eligibility for certain credits.
- (3) Employees use the ERS system and the return to correct these conditions and use IDRS (when necessary) to research.
- (4) While working assigned cases, SP employees may come across some that are blocked on IDRS and can be identified by an IDRS security violation message, "Unauthorized Access to This Account". Forward the return to your manager. Managers will notify the local Planning & Analysis Staff who will scan the case #

requesting access to the account. Managers will retain the original case in a file awaiting access (can take up to 5 business days). Once notified access has been granted, the case can be worked following applicable procedures.

3.12.14.1.2 (01-01-2020) Authority

- (1) The Internal Revenue Code of 1986 or more commonly known as the Internal Revenue Code (IRC) is the authority for these procedures. Treasury/IRS rules and regulations interpret the law. The IRC has been amended by acts and public laws such as the following:
 - The Protecting Americans from Tax Hikes (PATH) Act
 - Hiring Incentives to Restore Employment (HIRE) Act
 - Consolidated Appropriations Act (Extenders)
 - American Taxpayer Relief Act (ATRA)
 - Health Care and Education Reconciliation Act
 - Patient Protection and Affordable Care Act (ACA)
 - Foreign Account Tax Compliance Act (FATCA)
 - Internal Revenue Service Restructuring and Reform Act of 1998 (RRA 98)

- Section 2006(a) of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, Public Law (PL) 114-41, changed the return due dates for returns of partnerships, and C corporations.

Note: The above list may not be all inclusive of the various updates to the IRC.

- (2) All Policy Statements for Submission Processing are contained in IRM 1.2.12, Servicewide Policies and Authorities - Policy Statements for Submission Processing Activities.

3.12.14.1.3
(11-17-2017)

Responsibilities

- (1) The Director of the Submission Processing Campus (SPC) is responsible for monitoring operational performance for that SPC.
- (2) The Operations Manager is responsible for monitoring operational performance for their operation.
- (3) The team manager/lead is responsible for performance monitoring and ensuring employees have the tools to perform their duties.
- (4) The team employees are responsible to follow the instructions contained in this IRM and maintain updated IRM procedures.

3.12.14.1.4
(01-01-2020)

Program Management and Review

- (1) **System Control Reports:** The reports are stored on 4 ECC Z/OS Mainframes and can be retrieved through Control-D/ Web Access Server. See IRM 3.12.38, Error Resolution, BMF General Instructions, for a general listing of the reports.
- (2) **Program Effectiveness:** Is measured through Embedded Quality Submission Processing (EQSP) application used for quality review of the returns corrected in ERS. The applications capture evaluative and non-evaluative data obtained from monitoring submission processing activities. Reports can be generated for planning and training purposes.
- (3) **Annual Review:** Is performed by Federal Managers Financial Integrity Act (FMFIA) to ensure accuracy and promote consistent tax administration.

3.12.14.1.5
(01-01-2020)

Program Controls

- (1) Quality Review is conducted using the Embedded Quality Submission Processing (EQSP) application. A statistical valid sample size of corrected returns are pulled weekly for all tax examiners and reviewed to ensure IRM guidelines are followed.

3.12.14.1.6
(01-01-2020)

Terms/Definitions

- (1) The following is a list of words in this IRM that may need clarification:

Interpretation 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.
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) There are specific terms used when dealing with estates and trusts. See below:

Description	Definition
Beneficiary	A person designated as the recipient of funds or other property under a trust or an estate.
Corpus	The principal sum or capital of a trust or an estate, as distinguished from interest or income.
Decedent Estate	A legal entity created as the result of a person's death. The estate consists of the real and/or personal property of the deceased person. The estate pays any debts owed by the decedent and then distributes the balance of the estate's assets to the beneficiaries of the estate.

Description	Definition
Exemption Amounts	Determined based on whether the fiduciary is filing for a decedent's estate or trust. Exemption amounts are claimed on Line 21 of Form 1041.
Fiduciary	Trustee of a trust; or executor, executrix, administrator, administratrix, personal representative, or person in possession of property of a decedent's estate.
Maker, Grantor, etc.	The person/organization to the extent such person /organization either creates a trust, or directly or indirectly makes a gratuitous transfer to the trust.
Trust	A legal entity created under state law and taxed under federal law. The trust can be created either under a will or inter vivos action.

(3) There are many types of trusts as shown in the following:

Description	Definition
Simple Trust	<p>When the trust instrument requires that all income be distributed currently, with no authority to make charitable contributions, and the trust doesn't distribute amounts allocated to the corpus of the trust.</p> <p>Note: A trust is a Simple Trust only for the year in which it distributes income and makes no other distributions to beneficiaries. For a year when the trust does not meet these requirements, it is a "Complex Trust".</p>
Complex Trust	A trust which, for the taxable year, does not qualify as a Simple Trust

Description	Definition
Grantor Trust	A trust in which the grantor retains certain powers of ownership or benefits. In general, a grantor trust is ignored for tax purposes and all income, deductions, etc. from the trust is taxable Income of the grantor.
Grantor Trusts (Non-Taxable)	Report Income, Deductions, and Credits on Form 1040
Grantor Trusts (Partially Taxable)	Report Income, Deductions, and Credits on Form 1041
Ancillary and Domiciliary Trust	A trust which exists in a foreign state because the grantor is domiciled (resides) in another state.
Clifford Trust	A Grantor Trust where the assets are placed in a trust temporarily and then revert to the grantor.
Conservatorship	A trust (not an estate) which is usually set up by a court for an incompetent person. (Not necessarily a trust for tax purposes)
Generation Skipping Trust	A trust with beneficiaries who are more than one generation younger than the grantor's generation.
Guardianship/Custodianship	A trust usually set up for a minor. (Not necessarily a trust for tax purposes)
Inter Vivos Trust	Established by a grantor during the grantor's lifetime.
Irrevocable Trust	The grantor or non-adverse party does not have power to revoke the trust. The trust will pay all taxes unless the grantor retains other powers of ownership or benefit. The trust cannot be revoked or amended.

Description	Definition
Non-Explicit Trust	An arrangement that has substantially the same effect as a trust will be treated as a trust even though it is not an explicit trust. Examples of such arrangements are insurance and annuity contracts, arrangements involving life estates and remainders. Non-Explicit Trusts do not include Decedent's Estate.
Pooled Income Fund	A fund maintained by a public charity which provides contributors to the fund with an income interest for life with remainder to the public charity.
QTIP Trust	A trust established, whether during life or at death, for the benefit of the grantor's or decedent's spouse that qualifies for the gift or estate tax marital deduction as qualified terminable interest property described in IRC 2523(f) (gift tax) or IRC 2056(b)(7) (estate tax).
Qualified Disability Trust	A qualified disability trust is normally a trust set up for a person that qualifies under the Social Security Act as being 100% disabled. The trust is entitled to a larger exemption than a simple or complex trust.
Qualified/Pre-Need Funeral Trust	A trust which has elected to be taxed as a qualified funeral trust. Normally, one Form 1041-QFT will be filed in lieu of one or more Form 1041. However , if Form 1041 is received with the notation Qualified Funeral Trust, Pre-need Funeral Trust , etc., process as a Form 1041 filed for a Grantor Trust.
Residual Trust	Established under the terms of the will to receive that part of an estate that remains after the payment of all debts, charges, devises, and specific and pecuniary bequests.

Description	Definition
Revocable Trust	The grantor or a non-adverse party has power to revoke the trust. The grantor of the trust will pay the taxes of the trust on their Form 1040 return. The trustee will file Form 1041 return for Information Only purposes unless they select an optional filing method.
Testamentary Trust	Set forth or contained in a Will or a formal declaration of a person's wishes as to the disposition of the property after their death. A paper, instrument, document, gift, appointment, etc., is said to be testamentary when it is written or made so as not to take effect until after the death of the person making it, and to be revocable and retain the property under their control during his or her life, although they may have believed that it would operate as an instrument of a different character.
Trust Under the Will	The same as a Testamentary Trust .

(4) There are many types of estates, as shown below:

Description	Definition
Ancillary Estate	A supplementary or secondary estate situated in a foreign state where the deceased person owned assets, often real property. For federal tax purposes, there is a single estate, but probate may be required in more than one state if the decedent owned property in multiple states at the time of death.

Description	Definition
Bankruptcy Estate	A separate and distinct taxable entity from the individual debtor created when an individual debtor files for bankruptcy under Chapter 7 or 11. This creates a separate estate consisting of property that belongs to the debtor before the filing date.
Decedent's Estate	Estate of a deceased person that is a taxable entity separate from the decedent. It exists until the final distribution of the assets are made to the heirs and other beneficiaries.
Domiciliary Estate	Estate situated in the state of the deceased person's permanent residence.
Probate Estate	The same as an Estate entity. Probating an estate in court is done to establish that the Will is authentic or valid.

- (5) See Exhibit 3.12.14-45, Acronyms and Abbreviations.

3.12.14.1.7
(11-17-2017)

Related Resources

- (1) The following is a list of resources available:
- Servicewide Electronic Research Program (SERP)
 - Submission Processing Design Center (SPDC)
 - Integrated Automation Technologies (IAT)
 - Integrated Data Retrieval System (IDRS)

3.12.14.1.8
(01-01-2020)

Acronyms and Abbreviations

- (1) See Exhibit 3.12.14-45, Acronyms and Abbreviations.

3.12.14.2
(01-01-2020)

◆ Business Master File (BMF) Consistency ◆

- (1) The purpose of this initiative is to achieve consistency in the Business Master File (BMF) Error Resolution System (ERS) processing IRMs.
- (2) Topics for BMF Consistency have been identified and developed as a coordinated effort between Kansas City, Ogden, and Paper Processing Branch BMF Code & Edit/ERS Section.
- (3) BMF Consistency subsections are identified by a “◆” (diamond) before and after the title.
- (4) The text in normal print is the common processes for BMF returns. The text in **bold** print is form specific and applies to this IRM only.

3.12.14.2.1
(01-18-2023)

◆ **Taxpayer Advocate Service (TAS)** ◆

- (1) The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service (IRS), led by the National Taxpayer Advocate. Its job is to protect taxpayers' rights by striving to ensure that every taxpayer is treated fairly and knows and understands their rights under the Taxpayer Bill of Rights (TBOR). TAS offers free help to taxpayers, including when taxpayers face financial difficulties due to an IRS problem, when they are unable to resolve tax problems they haven't been able to resolve on their own, or when they need assistance to address an IRS system, process, or procedure that is not functioning as it should. 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 Wage and Investment (W&I) 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 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.
 - IRS takes steps within 24 hours to resolve the taxpayer's issue.See IRM 13.1.7.6, Same Day Resolution by Operations.
- (5) When making a TAS referral, use Form 911, and forward to TAS following your local procedures.
- (6) See IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria, for more information.

3.12.14.2.1.1
(01-01-2022)

◆ **TAS - Service Level Agreements (SLAs)** ◆

- (1) The National Taxpayer Advocate reached agreements with the Commissioners of the Wage and Investment (W&I) Division, Small Business and Self-Employed (SBSE) Division, Tax Exemption Government Entities (TEGE), Criminal Investigation (CI), Appeals and Large Business and International (LB&I), that outline the procedures and responsibilities for the processing of Taxpayer Advocate Service (TAS) casework when either the statutory or delegated authority to complete a case transaction rests outside of TAS. These agreements are known as Service Level Agreements (SLAs).
- (2) The SLAs are located at <https://irssource.web.irs.gov/TAS/SitePages/SLA.aspx>.

3.12.14.2.2
(01-04-2016)

◆ **IRM Deviation Procedures** ◆

- (1) IRM deviations must be submitted in writing following instructions from IRM 1.11.2.4, When Procedures Deviate from the IRM, and elevated through appropriate channels for executive approval.

3.12.14.2.3
(01-01-2022)

◆ **Business Master File
(BMF) Identity Theft** ◆

- (1) BMF Identity Theft is increasing. If a tax examiner in Submission Processing (SP) Error resolution System (ERS) finds a case with attachments or correspondence indicating the taxpayer is a victim of ID Theft:
 1. SSPND 360 to route the return to Planning & Analysis (P&A).
 2. Attach Form 4227 (or other appropriate routing slip) with the notation "ID THEFT".
 3. Provide the entire case to your senior/lead.

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

3.12.14.2.4
(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 was made and documented, **faxed signatures are acceptable**.
- (2) Contact with the taxpayer may be 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 11.3.1.14, Facsimile (FAX), Electronic Facsimile (E-FAX), and IRS Internal Enterprise Electronic Facsimile (EEFAX) Transmission of Tax Information

3.12.14.2.5
(01-01-2022)

◆ **IRS Employee
Contacts** ◆

- (1) The Internal Revenue Service Restructuring and Reform Act of 1998 (RRA98), 3705(a), provides identification requirements for all IRS employees working tax-related matters. IRS employees are required to give their name and unique identification number during taxpayer telephone, face to face, and written contact. In addition, a telephone number is required on all taxpayer correspondence. This will provide taxpayers with enough information to identify an IRS employee who has previously assisted with tax related matters.
- (2) All IRS employees who communicate by telephone, correspondence or face to face, with taxpayers or their personal representative, on tax-related matters are required to provide (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.
 - b. Face to Face Contact - Their title (e.g., Mr., Mrs., Ms., Miss), provided as appropriate during the conversation, their last name and badge identification (ID Card) number.
 - c. Correspondence - All correspondence must include a telephone number where the taxpayer's question can be answered. In addition, manually

- generated and handwritten correspondence must have their title (e.g., Mr., Mrs., Ms., Miss), last name, and IDRS (Integrated Data Retrieval System) number, letter system number or their badge identification (ID Card) number.
- d. The IDRS number and numbers for some other letter systems are automatically generated. If it is not generated or a handwritten note is prepared, the badge identification (ID Card) number must be used. Toll-free employees may also provide their location for identification purposes. Faxes to taxpayers on tax-related matters are considered manually generated correspondence and must include the required information.
 - e. Correspondence, whether sent directly to the taxpayer or to the taxpayer's personal representative, must contain the required information.
 - f. When a taxpayer requests to speak with a specific employee who previously handled their inquiry or request, or complains about the level of service previously provided, every attempt should be made to resolve the taxpayer's inquiry. If the issue cannot be resolved, the employee should refer the inquiry using established procedures to his or her manager.
 - g. Correspondence letters will require a specific employee name and telephone number only if the employee initiating the correspondence is in the best position to respond to any questions that the taxpayer may have about the correspondence, or the employee is asking the taxpayer to provide additional case-related information.
 - h. Otherwise, if the taxpayer does not need to contact a specific employee, the correspondence needs only an IRS telephone number and standard signature.
 - i. Secretaries, receptionists, or other people who answer the telephone in functional offices need to identify themselves and should provide their badge identification (ID Card) number only if they are answering telephones which are routinely used to provide tax or account information.
 - j. 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 telephone or in-person) his or her badge identification (ID Card) number on the first contact.

Note: The Taxpayer Bill of Rights adopted by IRS in June 2014 provides that taxpayers have the right to receive prompt, courteous and professional assistance in their dealings with the IRS. They are to be spoken to in a way that is easily understood and any correspondence from the IRS must be clear and understandable. They have the right to speak to a supervisor whenever quality service is not received.

3.12.14.2.6
(01-01-2016)
◆ CADE 2 ◆

- (1) The Customer Account Data Engine (CADE) 2 Program Office in Headquarters, is charged with the primary goal to implement a single, modernized programming solution which provides daily processing of taxpayer accounts.
- (2) The CADE 2 solution is comprised of several components, to modernize the IRS to a daily processing environment with several Transition States.
- (3) The BMF campus cycles are:
 - Campus Cycle: Thursday - Wednesday
 - Master File Processing: Friday - Thursday

- Notice Review: Saturday - Monday (8+ days)
- Unpostables: New available Tuesday; Closing Tuesday

(4) BMF transaction posting time frames are outlined as follows:

- Transactions will be viewable using CFOL command codes on Saturday following the weekly Master Files processing run on Thursday.
- Transactions will be viewable as posted transactions using IDRS command codes on Monday, following the weekly Master File processing run on Thursday.

Note: With the acceleration of the IDRS weekly analysis being performed the weekend directly after the Master File processing on Thursday, transactions will be posted instead of in pending status on Monday.

(5) Transaction posting dates will reflect a format of YYYYCCDD. YYYY will indicate the year. CC will indicate the posting cycle. For IMF transactions, the following values for DD are defined:

- 01 = Friday
- 02 = Monday
- 03 = Tuesday
- 04 = Wednesday
- 05 = Thursday

Note: BMF cycle posting dates on BMFOL will continue to reflect YYYYCC. YYYY will indicate the year. CC will indicate the posting cycle. BMF posting cycles in TXMOD will reflect a format of YYYYCCDD. The DD value will be 08.

3.12.14.2.7
(01-01-2022)

◆ **Criminal Investigation
(CI) Referrals** ◆

(1) Criminal Investigation (CI) investigates potential criminal violations of the Internal Revenue Code (IRC) and related financial crimes. Criminal violations of the IRC include 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, no further CI action is required.

#

Caution: If there is no indication Code and Edit (C&E) made a copy and sent to CI Referral, then see below.

[illegible]

- ### CI Referral Routing

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

- Cat. No. 33650E (11-06-2023)
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3.12.14.2.8
(01-01-2022)
♦ **Examination (Exam)**
♦ **“Funny Box”** ♦

- (1) The primary objective in identifying tax returns for examination is to promote the highest degree of voluntary compliance. Examination will provide support and assist Submission Processing (SP) with any questionable return identified during processing. Exam has a vast multitude of programs and tolerance criteria already identified in various IRM sections. Exam does not restrict SP with the flexibility to refer questions returns other than what is currently identified in various IRMs.

#

amination, Frivolous Return Program (FRP) for review. Pay particular attention to returns with Form 1099-OID attached.

3.12.14.2.9
(01-01-2022)
♦ **Frivolous Returns and**
♦ **Claims** ♦

- (1) A frivolous argument is used for the purpose of expressing dissatisfaction with the substance, form or administration of the tax laws by attempting to illegally avoid or reduce tax liabilities. Recognized frivolous arguments made by businesses include, but are not limited to, the examples in IRM 25.25.10, Frivolous Return Program (FRP), shown in Exhibit 3.12.14-41 , Potential Frivolous Arguments for Examination Review.
- (2) Review the return to determine whether it appears to be a frivolous argument reported on return.

If...	Then...
<p>The return meets any of the conditions identified as a frivolous return. See Exhibit 3.12.14-41, Potential Frivolous Arguments for Examination Review.</p> <p>Exception: If the return shows Action Code 331, and has a Form 4227 attached with the remarks, “Refer to Exam FRP for audit after processing”, continue to next procedure.</p>	<p>SSPND 331, attach routing slip marked FRP, and place the return in the locally designated basket for Examination, Frivolous Return Program (FRP) for review.</p>
<p>Examination has selected the return as frivolous, e.g., indicated by an Action Code 331, and a Form 4227 with the remarks “Refer to Exam FRP for audit after process”, but sends the return for processing.</p>	<p>Continue processing the return using procedures in IRM 3.12.14. However, do not circle or void the Action Code indicating a frivolous return.</p>

3.12.14.3
(01-01-2022)
Schedules Found in Form 1041

(1) The following schedules are found within Form 1041:

- **Schedule A**, Charitable Deductions - Used by a trust or estate that claims a contribution deduction under IRC 642(c), or by a trust described in IRC 4947(a)(2).
- **Schedule B**, Income Distribution Deduction.
- **Schedule G**, Tax Computation and Payments

(2) Listed below are additional schedules and forms which may be filed with Form 1041:

- **Schedule C**, Business Income or Loss
 - **Schedule D**, Capital Gains and Losses - Used to report details of gain or loss, from the sales or exchanges of capital assets.
 - **Schedule E**, Supplemental Income and Loss
 - **Schedule F**, Farm Income or Loss
 - **Schedule H** (Form 1040), Household Employment Taxes
 - **Schedule I**, Alternative Minimum Tax
 - **Schedule J**, Accumulation Distribution for Certain Complex Trusts - Used by domestic complex trusts to report accumulation distributions.
 - **Schedule K-1**, Beneficiary's Share of Income, Deductions, Credits, etc. - Used to report each beneficiary's share of the Income, Deductions, Credits, and Alternative Minimum Taxable Income from the estate or trust.
 - **Form 1041-A**, U.S. Information Return - Trust Accumulation of Charitable Accounts - Used by a trust that claims a contribution deduction under IRC 642(c), or by a trust described in IRC 4947(a)(2).
 - **Form 1041-ES**, Estimated Income Tax for Fiduciaries - Used to figure and pay Estimated Tax for trusts or estates.
 - **Form 1041-T**, Transmittal of Estimated Tax Credited to Beneficiaries - Used by an estate or trust to make an election under IRC 643(g) to allocate an Estimated Tax payment to beneficiaries.
 - **Form 3800**, General Business Credits
- Note:** See Part III, Form 3800, lines 1a-1zz, line 3, and line 4a-4z for additional forms that can be attached to support entry on Form 3800.
- **Form 4136**, Computation of Credit for Federal Tax on Fuels
 - **Form 4797**, Sale of Business Property
 - **Form 4952**, Investment Interest Expense Deduction
 - **Form 5884-B**, New Hire Retention Credit (2011 tax year only)
 - **Form 8913**, Credit for Federal Telephone Excise Tax Paid (2006 tax year only)
 - **Form 8939**, Statement of Foreign Financial Assets
 - **Form 8941**, Credit for Small Employers Health Insurance Premiums
 - **Form 8948**, Preparer Explanation for Not Filing Electronically
 - **Form 8949**, Sales and Other Dispositions of Capital Assets

- **Form 8960**, Net Investment Income Tax - Individuals, Estates, and Trusts
- **Form 8978**, Partner's Audit Liability Under Section 6226 (2017 and later)
- **Form 8995**, Qualified Business Income Deduction Simplified Computation (2019 and later)
- **Form 8995-A**, Qualified Business Income Deduction (2019 and later)
- **Form 965-A**, Individual Report of Net 965 Tax Liability (2017 and later)
- **Form 982**, Reduction of Tax Attributes Due to Discharge of Indebtedness

3.12.14.4
(01-05-2021)

**Organization, Function
and Program (OFP)
Codes**

- (1) The organization for the ERS processing is "3X000". Consult local management for the correct code.
- (2) To record the time spent reviewing and correcting the screen displays, use the following function and program codes:

Item	Form 1041	Form 1041-QFT	Form 1041-N
Function	340	340	340
Program	11900	11910	11910
Tax Class	2	2	2
Document Code	44 (Paper) and 36 (Electronic)	39	39
MFT	05	05	05
Blocking Series	400-499	400-499 (Remit.) and 500-999 (Non-Remit.)	400-499 (Remit.) and 500-999 (Non-Remit.)
Processing Site	All Campuses	<ul style="list-style-type: none"> • Domestic - KCSPC • Foreign - OSPC 	OSPC Only
Audit Code			

#

3.12.14.5
(01-01-2016)

Related Forms

- (1) The following forms are referred to in this IRM:

Form Type	Title	Use
Form 3465	Adjustment Request	To request transfer of credits.
Form 3696 or Form 3696A	Correspondence Action Sheet	To initiate correspondence to taxpayers through the Typing function or via IDRS.
Form 4227	Intra-SPC Reject	To identify the reason for Routing Slip using the Action Code.
Form 8161	ERS Return Charge-Out	To charge out returns on the Suspense List, Reject Records List and Duplicate Document DLN Register. Also, Input Perfection Branch will use as a routing slip and history item.

Note: Sites may use locally approved correspondence action sheets.

3.12.14.6 (01-01-2020) General Information

- (1) This IRM provides definitions and terms for the issues applicable to the processing of Form 1041, Form 1041-QFT, and Form 1041-N.

3.12.14.6.1 (01-01-2020) General Correction Procedures

- (1) This provides general correction procedures for perfecting Form 1041.

Note: Quality Review reports many errors charged to ERS Tax Examiners are due to uncorrected transcription errors. Always verify transcription and editing for errors unless the error code specifically tells you to drop and transmit.

Exception: Electronically submitted returns can't have transcription errors

3.12.14.6.1.1 (01-18-2023) Perfecting Form 1041 and Error Screen Displays

- (1) Form 1041 Error Screen Displays shows the following data as part of the standard display heading:

- Document Locator Number (DLN)
- Employer Identification Number (EIN)
- Check Digits/Name Control (NC)
- Current processing date
- ERS Status Code

Note: Previously assigned Taxpayer Notice Codes are displayed in the upper right corner (beneath the header information).

- (2) Before making corrections to the Error Screen Displays, **ensure** that the DLN of the screen display matches the DLN of the document. If one field in the display heading is incorrect, correct as follows:

If...	Then...
DLN is incorrect	<ol style="list-style-type: none"> 1. Stop processing. 2. Give the block to your manager.
EIN is incorrect	<ol style="list-style-type: none"> 1. GTSEC 01. 2. Enter the correct data to Section 01. <p>Note: The original error condition should be displayed.</p>
Name Control is incorrect	<ol style="list-style-type: none"> 1. GTSEC 01. 2. Enter the correct data to Section 01. <p>Note: The original error condition should be displayed.</p>
Current Processing Date is incorrect	<ol style="list-style-type: none"> 1. Stop processing. 2. Give the block to your manager.

- (3) Returns may be in error due to a “mixed data situation”. This occurs when information from two taxpayers’ returns appears on the error record under one DLN or the DLN does **not** match the return on the screen display. If this occurs:

1. Stop processing.
2. Give the block to your manager to determine if the mixed data can be corrected via the terminal screen displays or will take action to have the blocks deleted and reinput.

- (4) Determine if taxpayer entries are on the appropriate lines of Form 1041.

- Correct all misplaced entries, coding errors and transcription errors in each section and field of the screen display.
- Follow specific instructions for each section and field.
- Make certain all sections and fields were transcribed.
- Check all fields leading to the field you’re working. Also, check Form 1041 for any schedules or attachments that the taxpayer may have used in arriving at the amount in the field before assigning a TPNC.

- (5) When making corrections to the Error Screen Display:

Note: Be sure money amounts within a section have been transcribed in dollars-only or in dollars and cents according to the requirements shown in the instructions for each section.

- (6) **Missing Signature** - A signature is required on most returns. If no signature is present:

- If a signature is **not** present in the Signature Section of Form 1041 (below Line 30), SSPND 225 and correspond. (If multiple issues SSPND 211).
- If no reply, follow “No Reply” procedures. See Exhibit 3.12.14-39, No Reply Procedures.
- For additional instructions for processing missing signatures, see IRM 3.11.14.27, Returns and Documents Analysis, Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N).

Exception: Do not correspond for a signature on “CII” returns with Form 13596 attached. Route reinput/reprocessible “CII” returns missing a signature to Accounts Management. IRM 3.12.14.6.2.1, Correspondence Imaging Inventory (CII) Returns.

- (7) **Error Inventory Listing** -This report is printed daily and lists each Block DLN in the Error Inventory. It is used to assign work to tax examiners, to associate documents with the error records and to release documents from previous days’ workload. Unworked records will remain on the list.
- (8) **Change of Address** -Tax Examiners may input Entity changes whenever clear and concise written notification is received from a taxpayer (i.e., a statement signed by the taxpayer informing the Service that the taxpayer wishes their address of record to be changed to a new address).
- If correspondence (including notices) sent by the Service is returned by the taxpayer with corrections marked on the taxpayer’s address information, the correspondence will constitute written notification of a change of address. The taxpayer’s signature on the correspondence is **not** required.
 - A return (including an amended return) filed by a taxpayer with new address information is written notification of a change of address. The proper processing of the return will update the taxpayer’s address of record.
 - Form 8822 (Change of Address) and Form 8822-B (Change of Address or Responsible Party) are also available for taxpayers to furnish a change of address to the Service.
- (9) Cellulosic Biofuel Credit refund or **CBR** - May be notated on the top of some 2009 tax year returns as an indicator of the Qualified Cellulosic Biofuel Credit refund. If Form 6478, Biofuel Producer Credit, has an amount on Line 5 and/or Line 7 (2010 version - Line 5 and/or Line 8, 2008 version - Line 5 and/or Line 9), the credit will roll up to Form 3800, General Business Credits, Line 29c. These returns should be coded in C&E with an Action Code 343, which will cause the returns to fall out in ERS/Rejects for a special review.

Caution: These instructions apply to **2009 tax year only**, including fiscal year filers (200901 through 201011)

3.12.14.6.1.2
(01-01-2016)**Error Displays and
Corrections**

(1) All Form 1041 Error Screen Displays will display as follows:

- Each field is identified by an Alpha/Numeric Field Designator (AFD) before the field.
- Fields are displayed with no breaker. Negative values are indicated by a minus (-) sign following the amount.
- Decimal points are displayed for dollars and cents.

Exception: The cents digits are **not** displayed for “dollars-only” fields. Two asterisks (**) are displayed in the cents position of the dollars-only field.

- Leading zeroes in amount fields are suppressed and the significant digits are displayed beginning in the left position.
- If more than one amount field of a record is to be shown, the fields are aligned beneath one another.

(2) Corrections are entered starting with the left-most position of the field. Blank-out unused positions.

- If fewer than the maximum number of positions is required, the program will automatically move to the right of the digits.
- It is not necessary to enter the decimal point.
- A minus sign **must** be entered last if the amount is negative.

(3) Be careful not to enter more than the number of positions allowed for a particular field. If more data is entered, the overflow characters will display on the screen **but** are dropped when the field is added to the record. **This is especially important for the EIN, name, and address.**

(4) Corrections can be made to a displayed field by overlaying only the digits in error and not reentering the entire field. It is not necessary to eliminate the decimal point when correcting in this manner.

(5) If it is necessary to add a missing section:

1. Transmit with Command Code GTSEC, followed by the desired Section Number.
2. When the empty section format is displayed, enter the missing data in the proper fields and transmit with Command Code CRECT.

(6) If it is necessary to see a field or section of the record other than that shown in the display:

1. Enter Command Code GTSEC, followed by the desired Section Number.
2. If a correction is **not** made to the section, drop to the bottom of the screen and transmit.
3. Any error display **not** showing all fields necessary for resolution should be reported to the National Office.

Reminder: When correcting a screen display, move the cursor below the last field containing data before transmitting.

(7) If it is necessary to delete a section of the record, enter Command Code DLSEC, followed by the desired Section Number.

- (8) If determined that additional information or research is necessary to resolve a Priority II, III, or IV Error (or if the error is rejected), enter the appropriate Action Code with either Command Code SSPND or RJECT.

Note: For additional information on Priority Errors, IRM 3.12.14.7, Types of Errors.

3.12.14.6.2
(01-18-2023)
Correspondence

- (1) Correspondence records with Action Code 21X will be automatically suspended for a predetermined number of days or until the taxpayer replies, whichever is earlier.

Note: Do **not** correspond for information on any return “SECURED BY EXAMINATION.” If unprocessable, follow “**No Reply**” procedures.

- (2) ERS tax examiners issuing correspondence may perform **either** of the following:
- Command Code LETER.
 - Initiate correspondence by using the Form 3696, Correspondence Action Sheet, Form 3696-A, IDRS Correspondence Action Sheet or other locally approved Correspondence Action Sheet (CAS).
- (3) Most correspondence is either a computer-generated notice, a computer-generated letter or a pre-printed letter.

Note: All correspondence now reflects a response period within 30 days and the consequences for **no reply**.

- (4) If special notes or letters are developed, ensure that the following guidelines are used:
- All correspondence to taxpayers requesting information should indicate that a response is required.
 - Specify the length of time the taxpayer has to respond.
 - Include a statement about the action the IRS will take if the response is not received timely.
 - Be sure to include the following statement:
“When you reply, please send us your telephone number and the most convenient time for us to call so we may contact you if we need additional information”.
 - Provide for a purge date at least 10 days after the date provided in the letter to the taxpayer.
 - Whenever possible, form letters should be used to correspond with taxpayers. If a CNOTE or QUICKNOTE is used, be sure that it clearly communicates the message in simple language and contains the required information.
 - When taxpayers make errors that cause delays, advise the taxpayer that they made the error and explain what the error was that caused the delay.
 - Before initiating manual correspondence on an account dealing with anything other than a recently filed return, check the Centralized Authorization File (CAF) to ensure that the information will be mailed to the taxpayer’s representative (if one is on record).

(5) **Missing Signature** - A signature is required on most returns. If no signature is present:

- If a signature is **not** present in the Signature Section of Form 1041 (below Line 30), SSPND 225 and correspond. (If multiple issues SSPND 211).
- If no reply, follow “No Reply” procedures. See Exhibit 3.12.14-39, No Reply Procedures.
- For additional instructions for processing missing signatures, see IRM 3.11.14.27, Returns and Documents Analysis, Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N).

Exception: Do not correspond for a signature on “CII” returns with Form 13596 attached. Route reinput/reprocessible “CII” returns missing a signature to Accounts Management. IRM 3.12.14.6.2.1, Correspondence Imaging Inventory (CII) Returns.

3.12.14.6.2.1
(01-18-2023)

◆ **Correspondence
Imaging Inventory (CII)
Returns** ◆

- (1) Correspondence Imaging Inventory (CII) is an inventory system for scanning all Accounts Management (AM) receipts into digital images and working the cases from those images.
- (2) “CII” returns are identified with “CII Image. Do not correspond for Signature” stamped below the signature line or “CII” annotated on the front of the return.
- (3) Follow the instructions below for processing “CII” returns:

If...	And...	Then...
The CII return has a Form 13596, Reprocessing Returns attached,	The return is incomplete (e.g., missing signature, schedules or forms),	<ol style="list-style-type: none"> 1. Do not correspond. 2. Remove the return from the batch and SSPND 640 to have the DLN voided. 3. Attach Form 4227, Intra SC Reject or Routing Slip, (or other appropriate routing slip) to the return and route to AM, to secure missing information. 4. 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 "Additional information needed to process incomplete CII return," or similar language on Form 4227 (or other appropriate routing slip).
The CII return has a Form 13596, Reprocessing Returns, attached and the return is incomplete (e.g., missing signature, schedules, or forms),	There is an indication on the return that correspondence has been sent (e.g., CCC 3 is edited on the return),	Do not route the return to AM. Continue processing the return.

If...	And...	Then...
The CII return does not have a Form 13596 attached,	The return is incomplete (e.g., missing signature, schedules or forms),	Research for prior posting (TC 150 posted), 1. If TC 150 is present and the information is the same, cancel the DLN and treat as classified waste. 2. If TC 150 is not present, follow normal correspondence procedures.

3.12.14.6.3
(01-01-2024)
Action Codes

- (1) The ERS Action Codes (AC) are used to indicate whether correspondence, research or some other action is necessary. These codes reject or suspend records, placing them in Suspense Inventory (either Workable or Unworkable) and identify the specific action taken. A listing of valid ERS Action Codes is available, see Exhibit 3.12.14-37, ERS Action Code.
- (2) **Action Code 001** occurs when the Block out of Balance (BOB) Resolution Function has added a missing document by only inputting the Taxpayer Identification Number (TIN) and the Name Control for the missing document. For procedures for determining and correcting Priority I Errors, IRM 3.12.14.7.2, Priority I Errors - Action Code/Unpostable Code Errors.

Exception: AC 001 does not place the record in the Suspense Inventory.

- (3) Code & Edit assigns Action Codes to numbered returns if the document is unprocessable. This code is edited in the lower left margin of the return and the letters "AC" **may precede the code**. "AC" may be omitted at the option of the Campus.
- (4) Correspondence Action Sheets are used for initiating correspondence and are attached by the Tax Examiner suspending the document. The Action Codes and descriptions should be sufficient for routing these returns within the Campus.
 - If Code & Edit has **not** assigned an Action Code (or if Integrated Submission and Remittance Processing [ISRP] did not transcribe the AC), enter the AC on Form 1041 and on the Screen Display.
- (5) If the AC assigned by Code & Edit is invalid, incomplete, or is "001," the record is assigned to the Error Inventory for correction or deletion of the code.
- (6) Only one AC can be assigned to a record at one time. Assign Action Codes in the following **priority order**:
 - a. AC 310
 - b. AC 320
 - c. AC 4XX
 - d. AC 6XX
 - e. AC 3XX

f. AC 2XX

Note: If multiple conditions are present and one of them is an entity condition, enter AC 320 (Entity) as the primary code, **except** when AC 310 (Statute Control) is also needed. Action Code 310 will **always** have first priority.

- (7) If more than one Action Code of the same priority is required (i.e., 342 and 355), use the code with the shortest suspense period and attach Form 4227 to indicate the second unprocessable condition.
- (8) An ERS Tax Examiner may enter an Action Code on a record, correct or delete an invalid code or overlay the present AC with another to re-suspend or reject from ERS.
 - Enter a valid Action Code with a Command Code (CC) SSPND, RJECT, or NWDLN.
- (9) CC **SSPND** -When entered by an ERS Tax Examiner, SSPND clears the record from the screen and places it in either Workable or Unworkable Suspense.
- (10) CC **RJECT** -When entered by a Rejects Tax Examiner, RJECT rejects the record from ERS. Generally, Service Center Control File (SCCF) is automatically updated for the rejected record.
- (11) CC **NWDLN** -When entered by a Rejects Tax Examiner, NWDLN rejects the record from ERS and establish the new DLN under which the record is to be input.
- (12) **Management Suspense** - Management may direct that certain documents be held for further processing instructions. Some reasons for such a suspension are:
 - A computer program bug exists for a particular type of record.
 - Master File programs are not yet available or are incorrect for a specific type of document.
 - These documents will remain in the Unworkable Suspense Inventory until requested to be placed in the Workable Suspense Inventory (via the ERS Control File or until the Workable Suspense period expires, whichever comes first).

3.12.14.6.4
(01-01-2016)
Command Codes

- (1) The Command Codes needed for correcting the Error Inventory and the Workable Suspense Inventory are briefly described below. They are also explained in IRM 3.12.38, ERS, General Instructions. Any Command Code permitted by the Employees Security File is available.
- (2) Command Codes are used to tell the system which function to perform.
- (3) Command Codes **must** be entered in a valid format. Otherwise, a field error displays.
 - Correct the data entered using the applicable Command Code (CC).
- (4) **The valid Command Codes are:**

Command Code	Description
ACTON	To establish control bases, to update or close control bases that are open, to correct name controls on dummy accounts, to append history items to modules on IDRS, and to generate TC 902 to secure tax modules and their related entity data from the Master File.
BMFOL	To research entity and/or tax data which may or may not be available on IDRS. This command code allows several screen displays based on the definer code input. It should be used in lieu of the Command Code MFTRA.
BRTVU	To access data that was transcribed from line items and/or computer-generated transactions from BMF returns and their schedules. It can be used in re-searching original returns.
CRECT	Displayed with all error displays.
DLSEC	To delete a section of a record.
ENMOD	To research for name control and transaction code information.
ENREQ	Entered (with a blank definer) after a response to ENMOD indicates that the entry is on the file.
ERINV	To research a DLN or TIN on ERS.
ERVOL	Used with a Status Code to display the number of records in the current Workable Inventory.
GTREC	To access the first error in a block in the Error Inventory or a specific record in the Workable Suspense Inventory.
GTRECW	To retrieve and correct an error record that has been previously worked. Can be used only on the day that the record block was worked.
GTSEC	To obtain the display of any section of an error record in process.
INOLE	To research the entity module. This information includes name lines, name control, address, employment codes, filing requirements, etc.
MFREQ	To request an entity module or a tax module and its related entity data from Individual Master File (IMF), BMF, Individual Retirement Account (IRA), or Employee Plan Master File (EPMF) when case control is not required.

Command Code	Description
NAMEB/ NAMEE	To research for a missing TIN. A name is required to be input to research the Names Search Facility (NSF).
NWDLN	To change (renumber) the DLN and MFT of the record and reject the record.
RJECT	To reject a record from ERS.
SSPND	To assign an Action Code when placing a record in suspense.
TERUP	To allow an employee to delete his/her erroneous entry on the day of input. An employee can only delete his/her own entries.
TRDBV	Tax Return Data Base—To access 100% of return data as well as all subsequent corrections entered via ERS and Generalized Unpostable Framework (GUF). This command code can be used to verify specific line items (including any correction activity), resolve taxpayer inquiries, identify refund issues, and verify filing and return status. Also, available is Command Code TRERS, which will link the DLN entered with Command Code GTREC to Command Code TRDBV.
TRETS	Is an extension of CC TRDBV developed for ERS processing and acts like TRDBV. It allows the TE to select a return based on the DLN of the latest GTREC command executed.

3.12.14.6.5 (01-01-2016) Taxpayer Notice Codes (TPNC) - 6 Positions

- (1) This code is used when a math error is present involving Tax liability or Tax Due/Overpayment. Each math error display requires a correction to a field or the assignment of a TPNC.
 - TPNCs are entered on the terminal screen following the literal "NC" and in the upper left corner of Form 1041.

Reminder: The transmission of a TPNC **cannot** be accompanied by any other correction.
- (2) A TPNC is entered **only** after determining that no other corrections to the record can be made. Before assignment of a TPNC:
 - All corrections **must** be entered and transmitted for each error condition.
 - A working trail showing the changes made **must** be edited on the return at the point of error.
 - The Total Tax (Line 23) **must** be present.

Caution: If a math error ripples to another error code, verify the tax, using the spreadsheets on SERP, before rippling the TPNC.

- (3) Each math error has certain TPNCs that are valid to clear that error. If an invalid code is assigned, the error will re-display.
- (4) Each Form 1041 can have a **maximum** of three TPNCs.
 - If more than three TPNCs are needed, assign TPNC 90 as the third notice code and list the errors for Notice Review to type and send to the taxpayer.
- (5) **TPNC 90** is a “fill-in” and should be used when no other TPNC fully explains the correction(s) made or when more than three or more notice codes are necessary. In January 2014, The Taxpayer Notice Code (TPNC) 90 Math Error (ME) Code literals were programmed into the Online Notice Review (OLNR) Retype Application for Notice Review (NR). This addition will eliminate the need for the NR tax examiner to manually type the notice literal and reduce potential copying/typing incorrect paragraphs/messages in the notices. For a full listing of the programmed TPNC 90 Math Error Codes, see TPNC 90 Math Error Code Job Aid, <http://serp.enterprise.irs.gov/databases/portals/sp/bmf/ers/job-aids.html>.
- (6) When the ERS tax examiner sends a TPNC 90, he/she will do the following:
 - Write on the returns “TPNC 90 - ##” (where ## represents the programmed TPNC 90 Math Error Code number).
 - Notate TPNC 90 (or similar language) and the date of Form 1332, Block and Selection Record or Form 813, Document Register.
 - Place the return in the TPNC 90 designated area (basket/tub).
- (7) If there is not an applicable TPNC 90 Math Error Code, then the ERS tax examiner will do the following:
 - Attach the applicable TPNC 90 slip of paper to the front of the return, after completing applicable fields.
 - Notate TPNC 90 (or similar language) and the date of Form 1332, Block and Selection Record or Form 813, Document Register
 - Place the return in the TPNC 90 designated area (basket/tub).
- (8) Make sure that the return needing a TPNC 90 leaves Error Resolution System (ERS) with the correct TPNC 90 language for the applicable form. For questions, please contact your Lead and/or Manager.
- (9) Once a TPNC is transmitted to the record, it may be changed or removed in the following manner:
 - **For records which have not cleared the terminal** (errors remain after transmitting the TPNC), create an error with a higher priority.

Note: This causes all clear codes and any TPNCs previously assigned to a lower priority error, to be deleted from the record. TPNCs are deleted from the header display. Beginning with the higher Priority IV error created, all subsequent error codes are displayed for resolution, even though they may have been displayed previously.

- **For records which have cleared the terminal**, the “C” or TPNC on this error and all subsequent error codes are displayed for resolution whether they were displayed previously, or not. TPNCs previously assigned for this error and subsequent error codes will be deleted from the screen.
- Records which have been worked may be reworked using Command Code GTRECW. See IRM 3.12.38, BMF General Instructions, for further details.

- (10) All TPNCs are erased when a record is suspended with Command Code SSPND.
- (11) Unfinished records from the previous day will contain none of the TPNCs that were assigned to the records that were not completely worked.
- (12) For a listing of valid TPNCs and the information communicated to the taxpayer, see Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

Note: A TPNC assigned to a math error is displayed on subsequent displays for the record. The field is used for display purposes **only** and is not correctable.

3.12.14.6.6 (01-01-2020) Clear Codes

- (1) Certain error codes will display with a clear code. A clear code is used, when appropriate, to clear the error code.

3.12.14.6.6.1 (01-01-2016) Clear Code “C”

- (1) A “C” is used as a Clear Code for the Error Codes (consistency errors) where the error condition is such that the resolution **does not require a change** or correction to the record as displayed.
 - The Screen Display includes a clear field, labeled “CL” to indicate the possible use of a Clear Code.
 - The Clear Field is always located to the right of CRECT on the screen display.
- (2) Error Codes indicating the possible use of a Clear Code are cleared by either correcting the condition or entering a “C” to indicate no correction is needed. If corrections are required:
 1. Enter and transmit before entry of the Clear Code “C”.
 2. Assure that all corrective procedures have been input as shown under each individual Error Code before entering a “C” in the Clear Code Field.
- (3) Clear Code “C” is also used for clearing the action code from the screen after corrections for the action code have been completed or, as with Action Codes 410 and 700, the action code **must** be cleared initially so other errors in the record can be resolved.
 - The presence of the “C” with a Priority I Error indicates that you have made the corrections to the action code and now wish to have any other errors on the record displayed.
- (4) Command Code SSPND causes all “C” Clear Codes for Error Codes to be erased.

- (5) The program erases all "C" Clear Codes for Error Codes and action codes for the new day's Error Inventory and Workable Suspense Inventory. Unfinished records from the previous day will contain none of the "C" Clear Codes assigned to a record that was not completely worked.
- (6) The "C" Clear Code **cannot** accompany any corrections to the record. If a correction **must** be entered and the record has already been transmitted:
 - Enter Command Code GTRECW to retrieve the record and make all corrections.

3.12.14.6.6.2
(01-01-2016)
Error Codes

- (1) Error Codes (including those which may require a "C" Clear Code) are numbered consecutively for correction.
- (2) There may be instances when an ERS Tax Examiner creates an Error Code with a higher priority than the Error Code that has already cleared with a TPNC or "C" Clear Code.
 - If this occurs, the program deletes all "C" Clear Codes and TPNCs for Error Codes with a lower priority than the one created.
 - Beginning with the higher priority Error Code created, the program continues to display Error Codes for the record. Displays using the corrected data are apt to be different from those previously displayed.
- (3) There may be instances when an ERS tax examiner makes a correction that erases an Error Code which was previously cleared with a "C" and now the error condition no longer exists.
 - If this occurs, the program deletes the "C" Clear Codes and TPNCs for all subsequent errors in the record.
 - If there are errors remaining on the record after deleting the "C" and TPNCs, the program continues to display Error Codes for the record whether or not they were previously displayed.

3.12.14.6.6.3
(01-01-2016)
Clear Code 000

- (1) Clear Code 000 is used when deleting an action code.
 - **Only** use Clear Code 000 for invalid or erroneous Action Codes when you have determined that there is no reason to suspend the record.

Note: The "000" **cannot** be used in suspense correction.

3.12.14.6.7
(01-01-2016)
**Transshipment of
Returns to OSPC (Form
4720, Form 5227, and
Form 99X)**

- (1) If Form 1041 with Form 4720, Form 5227, and/or any Form 990 Series return attached is received at any Submission Processing Campus **other than OSPC**, process as follows:
 1. Detach Form 1041 from Form 4720, Form 5227, and/or Form 99X.
 2. Copy the Received Date from Form 1041.
 3. If not already present, copy the EIN from Form 1041 to each detached document.
 4. Prepare Form 4227 and notate "Form 1041 - Exempt Organization - Transfer To OSPC".
 5. Transfer all credits to the correct Tax Period and MFT **before** forwarding to OSPC.
 6. Route Form 4720, Form 5227, and/or Form 99X to OSPC.
 7. Continue normal processing of Form 1041.

- (2) If Form 1041 with Form 4720, Form 5227, and/or any Form 990 Series return attached is received at the Ogden Submission Processing Campus (OSPC), process as follows:
 1. Detach Form 1041 from Form 4720, Form 5227, and/or Form 99X.
 2. Copy the Received Date from Form 1041 to each detached document.
 3. If not already present, copy the EIN from Form 1041 to each detached document.
 4. If Reasonable Cause For Failure To Pay Taxes Timely has been granted for Form 1041, notate "Reasonable Cause Granted" on each detached document. For instructions for determining Reasonable Cause, see IRM 3.11.14.20.1 and 3.11.14.20.6.
 5. Route Form 4720, Form 5227, and/or Form 99X to the function responsible for processing.
 6. Continue normal processing of Form 1041.
- (3) For additional procedures for processing Split-Interest Trusts, see IRM 3.12.14.25.11.2, Correction Procedures - Error Code 026.

3.12.14.6.8
(01-01-2024)

◆ **Working Trail** ◆

- (1) It is important to leave a legible **Working Trail** (or **Action Trail**) using blue ink for those who may work with the return later.
- (2) Write all Taxpayer Notice Codes (TPNCs) 90 on the front of the return in the upper left corner (or use Form 12648 , **Error Correction 90 TPNC**). See **form specific IRM reference and title** and **Taxpayer Notice Codes**, for additional information.
- (3) If corresponding with a non-suspense letter, "X" and write the corrected money amounts to the left of each original point(s) of error. Money amounts are to be written in dollars only or dollars and cents, as applicable. Arrowing is allowed for money amounts when there are **no intervening entries** between the arrow and the line to which the money is to be entered.
- (4) Leave a working trail on the return when changes are made to the following items:
 - Tax Period (Field 01TXP).
 - Name Control (Field 01NC).
 - Employer Identification Number (Field 01EIN).
 - Computer Condition Code (CCC)
 - Received Date
 - Correspondence Received Date (Field 01CRD).

Reminder: Circle out incorrect Tax Periods, Received Dates, Employer Identification Numbers (EINs), and Social Security Numbers (SSNs).

- (5) When working Reject re-inputs, circle out any previous Action Codes shown on the front of the return, if no longer applicable.
- (6) When working Rejects, edit "640" at the bottom of the page to indicate the DLN has been voided.

3.12.14.6.9
(01-01-2016)

IRC 6020(b) Returns

- (1) If the return has a statement that it was "Secured Under the Authority Of Section 6020(B)":
 1. GTSEC 01.
 2. Enter "4" in Field 01CCC.
 3. If the return is stamped "Do Not Assess Failure to Pay", GTSEC 01 and enter "D" and "4" in Field 01CCC.
- (2) If any unprocessable conditions exist, contact the Revenue Officer (RO) that prepared and signed the return. Use Discovery Directory to email the RO and SSPND AC 360. Do not contact the taxpayer on any secured return.

3.12.14.6.10
(01-18-2023)

**Streamlined Filing
Compliance Process
(Ogden Only)**

- (1) Only **decedent estate** 1041 returns, both original and amended can participate in this program.
- (2) Returns are identified by the taxpayer writing "Streamline" on the top of the return. There will also be an audit trail notated that the package was complete.
- (3) Streamline original 1041 returns will have the following CCCs:
 - D,
 - P,
 - R, and
 - 8
- (4) **Streamline amended 1041 returns will not be processed by SP** if found in the pipeline SSPND 640, so ERS/Rejects can void the DLN and route to ICT for scanning with a special cover sheet. They will be scanned into CII and worked by specific people in AM.

3.12.14.6.11
(01-01-2017)

**Refund Returns 45 Day
Jeopardy and \$100
Million or more Refunds**

- (1) Document Perfection and ERS are responsible for identifying refunds and for initiating requests for manual refunds.
Note: Expedient processing of refund returns is critical if the 45-day period is about to expire.
- (2) Action Code 341 should be input by Code & Edit to show that a manual refund is needed. If these conditions are **not** identified in Code & Edit, ERS must follow the following criteria:

If...	Then...
The processing date is more than 20 days after the Received Date or the Return Due Date (whichever is later) and the 45-day interest free period is in jeopardy and the refund amount is \$25,000 or more, Note: Refund in this instruction means only the amount requested to be refunded to the taxpayer, not overpayments transferred to other periods	Enter Action Code 341 and route to ERS/Rejects for manual refund.
The refund is \$100,000,000 or more,	Enter Action Code 341 and route to ERS/Rejects for manual refund.

3.12.14.6.12
(01-01-2024)

- (1) Taxpayers reporting a Section 965 net tax liability on their 201712 - 201911 tax returns can make certain elections, including:

**Section 965 Returns -
General Information**

Section	Description	Form 965-A has data present in ...
965(h)	Election to pay Section 965(h) net tax liability in installments	<ul style="list-style-type: none"> Part I, Line 4 TY2020, column (f) and column (g), Yes box marked or column (i). Part I, Line 3 TY2019, column (f) and column (g), Yes box marked or column (i). Part I, Line 2 TY2018, column (f) and column (g), Yes box marked or column (i). Part I, Line 1 TY2017, column (f) and column (g), Yes box marked or column (i).

Section	Description	Form 965-A has data present in ...
965(i)	Election to defer until triggering event	<ul style="list-style-type: none"> Part III, Line 4 TY2020, column (e), Column (f), Yes box marked, or column (g) amount present. Part III, Line 3 TY2019, column (e), Column (f), Yes box marked, or column (g) amount present. Part III, Line 2 TY2018, column (e), Column (f), Yes box marked, or column (g) amount present. Part III, Line 1 TY2017, column (e), Column (f), Yes box marked, or column (g) amount present.

Note: IRC 965 (i) elections can trigger at any time in the future. At the time the (i) election triggers, those taxpayers can then convert to an (h) election, and that can happen in any year.

(2) A TY 2020 Section 965 return can be identified by any of the following:

- Amount present on Line 25 (Form 1041) or Line 19 (Form 1041-N).
- Amount present on Form 965-A, Part II, Line 4, column (k).
- Amount present on Form 1041, Sch. G, Part II, Line 15.
- Amount present on Form 965-A, Part I, Line 4, column (f).
- “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.

(3) A TY 2019 Section 965 return can be identified by any of the following:

- Amount present on Line 25 (Form 1041) or Line 19 (Form 1041-N).
- Amount present on Form 965-A, Part II, Line 3, column (k).
- Amount present on Form 1041, Sch. G, Part II, Line 15.
- Amount present on Form 965-A, Part I, Line 3, column (f).
- “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.

(4) A TY 2018 Section 965 return can be identified by any of the following:

- Amount present on Line 24 (Form 1041) or Line 19 (Form 1041-N).
- Amount present on Form 965-A, Part II, Line 2, column (k).
- Amount present on Line 25f (Form 1041).
- Amount present on Form 965-A, Part I, Line 2, column (f).
- “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.

(5) A TY 2017 Section 965 return can be identified by any of the following:

- Amount included on line 8, (Form 1041).
- Section 965 Amount to be paid in installments include on Line 24a (Form 1041).
- Section 965 net tax liability amount included in the total on Form 1041, Schedule G, Line 7.
- Section 965 Transition Tax Statement attached and an amount present on Lines 1, 3, 6 or 7.

- Amount present on Form 965-A, Part II, Line 1, column (k).
- Amount present on Form 965-A, Part I, Line 1, column (f).
- “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.

(6) If the Tax Period is 201712 and later:

- Enter CCC “J” if the return is identified as section 965 return as indicated in paragraphs (2), (3), (4) or (5) above.
- Enter CCC “B” if the return has a section 965(i) election as listed in paragraph (1), above.

(7) Modernized e-File (MeF) created naming conventions to identify “965” on the return. Some returns may **not** be true Section 965 returns. The numbers “965” may appear in the address, banking account number, EIN or anywhere on the return. If determined that the return is not Section 965, delete CCC “J” and continue processing.

(8) For TY2017, the placement of Net 965 Tax Liability Paid and Net 965 Tax Liability on the form was designed to cause the return to generate an error code. The error code and/or Action Code “460” ensures the return will be examined by an ERS/Rejects tax examiner.

Note: For TY 2017, determine the Net 965 Tax Liability paid amount (Field 0525) and the Net 965 Tax Liability Amount (Field 05G15). See IRM 3.12.14.6.12.4, Section 965 Returns - Tax Period 201712 - 201811.

(9) If Form 965-A is attached, GTSEC 20 and ensure all fields have been transcribed into the correct fields. See IRM 3.12.14.18, Section 20 - Form 965-A, Individual Report of Net 965 Tax Liability

(10) Tax Period 202112 and subsequent correction procedures:

If	And	Then
Form 965-A is attached,	The amount in column (k), Part II, is equal to the difference between Field 0526 and it's under-print,	enter that amount into Field 0525.
Form 965-A is attached,	The amount in column (f), Part I, is equal to the difference between Field 0526 and it's under-print,	enter that amount into Field 05G15.

3.12.14.6.12.1

(01-01-2021)

**Section 965 Returns -
Tax Period 202012 -
202111**

(1) **Field 0525** - Line 25 (Line 19, Form 1041-N) correction procedures:

If...	And...	Then...
Amount is present on Line 25,		Ensure the amount is entered in Field 0525.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ol style="list-style-type: none"> Section 965 tax is less than correspond unless corresponding for other missing information. Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 4, column (k), Part II, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 25 (Line 19 Form 1041-N) amount, continue processing the return. If the amount is not equal to Line 25 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 4, column (k), Part II, Form 965-A, into Field 0525.

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(2) **Field 05G15** - Line 15, Sch. G, Part II, Form 1041 correction procedures:

If...	And...	Then...
Amount is present on Line 15,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 15,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 15,	Form 965-A is attached,	<ol style="list-style-type: none"> 1. If the amount is present on Line 4, column (f), Part I, Form 965-A : <ul style="list-style-type: none"> • If the amount is equal to Line 15 amount, take no action and continue processing the return. • If the amount is not equal to Line 15 amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 15,	Form 965-A is attached,	Enter the amount from Line 4, column (f), Part I, Form 965-A, into Field 05G15.

(3) Error Code 887 and/or Error Code 902 will generate if any additional tax and/or credit (deferred tax) was added:

- See IRM 3.12.14.25.54, Error Code 887 - Total Tax.
- See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund.

3.12.14.6.12.2
(01-01-2021)

**Section 965 Returns -
Tax Period 201912 -
202011**

(1) **Field 0525** - Line 25 (Line 19, Form 1041-N) correction procedures:

If...	And...	Then...
Amount is present on Line 25,		Ensure the amount is entered in Field 0525.

If...	And...	Then...
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : a. Section 965 tax is less than correspond unless corresponding for other missing information. b. Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 3, A, column (k), Part II, Form 965: • If the amount is equal to Line 25 (Line 19 Form 1041-N) amount, continue processing the return. • If the amount is not equal to Line 25 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 3, column (k), Part II, Form 965-A, into Field 0525.

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(2) **Field 05G15** - Line 15, Sch. G, Part II, Form 1041 correction procedures:

If...	And...	Then...
Amount is present on Line 15,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 15,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 15,	Form 965-A is attached,	<ol style="list-style-type: none"> 1. If the amount is present on Line 3, column (f), Part I, Form 965-A : <ul style="list-style-type: none"> • If the amount is equal to Line 15 amount, take no action and continue processing the return. • If the amount is not equal to Line 15 amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 15,	Form 965-A is attached,	Enter the amount from Line 3, column (f), Part I, Form 965-A, into Field 05G15.

(3) Error Code 887 and/or Error Code 902 will generate if any additional tax and/or credit (deferred tax) was added:

- See IRM 3.12.14.25.54, Error Code 887 - Total Tax.
- See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund.

3.12.14.6.12.3
(01-01-2021)

**Section 965 Returns -
Tax Period 201812 -
201911**

(1) **Field 0525** - Line 24 (Line 19, Form 1041-N) correction procedures:

If...	And...	Then...
Amount is present on Line 24 (Line 19 Form 1041-N),		Ensure the amount is entered in Field 0525.

If...	And...	Then...
Amount is present on Line 24 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ol style="list-style-type: none"> Section 965 tax is less than correspond unless corresponding for other missing information. Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 24 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 2, column (k), Part II, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 24 (Line 19 Form 1041-N) amount, continue processing the return. If the amount is not equal to Line 24 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 24 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 2, column (k), Part II, Form 965-A, into Field 0525.

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(2) **Field 05G15** - Line 25f, Form 1041 correction procedures:

If...	And...	Then...
Amount is present on Line 25f,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 25f,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 25f,	Form 965-A is attached,	1. If the amount is present on Line 2, column (f), Part I, Form 965-A : <ul style="list-style-type: none"> If the amount is equal to Line 25f amount, take no action and continue processing the return. If the amount is not equal to Line 25f amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25f,	Form 965-A is attached,	Enter the amount from Line 2, column (f), Part I, Form 965-A, into Field 05G15.

(3) Error Code 887 and/or Error Code 902 will generate if an additional tax and/or credit (deferred tax) was added:

- See IRM 3.12.14.25.54, Error Code 887 - Total Tax.
- See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund. .

3.12.14.6.12.4
(01-01-2021)

**Section 965 Returns -
Tax Period 201712 -
201811**

(1) If Form 965-A is attached do the following:

If...	Then...
Amount is present on Line 1, column (k), Part II, Form 965-A,	Enter the Line 1, column (k) amount into Field 0525.
Amount is present on Line 1, column (f), Part I, Form 965-A,	Enter the Line 1, column (f) amount into Field 05G15.

(2) Error Code 887 and/or Error Code 902 will generate if an additional tax and/or credit (deferred tax) was added:

- See IRM 3.12.14.25.54, Error Code 887 - Total Tax.

- See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund. .

3.12.14.6.12.5
(04-28-2022)

Section 965 Returns Suspense Correction

- (1) See the following subsections for correction of Section 965 returns:
 - See IRM 3.12.14.6.12, Section 965 Returns - General Information.
 - See IRM 3.12.14.6.12.1, Section 965 Returns - Tax Period 202012 - 202111.
 - See IRM 3.12.14.6.12.2, Section 965 Returns - Tax Period 201912 - 202011.
 - See IRM 3.12.14.6.12.3, Section 965 Returns - Tax Period 201812 - 201911.
 - See IRM 3.12.14.6.12.4, Section 965 Returns - Tax Period 201712 - 201811.
- (2) **Paper filed Section 965 Returns:** If the taxpayer has elected under Section 965(h) to pay its Section 965(h) net tax liability in installments, scan the pages of the return with the Section 965 tax data and the IRC Section 965 Transition Tax Statement (for TY2017 returns) and e-mail the scan to the Chief Financial Officer (CFO) at **CFO Tax Reform 965*.

Note: Do not make copies when the taxpayer is paying in full its entire Section 965 net tax liability or when the taxpayer makes a Section 965(i) election, in which case the Section 965(i) net tax liability will not be assessed until a triggering event occurs.

3.12.14.6.13
(04-21-2023)

Elective or Deemed Payment Election (DPE) and Credit Transfers

- (1) Under the Inflation Reduction Act (IRA) of 2022 and CHIPS and Science Act of 2022, the taxpayer can elect to:
 - Take certain credits as an “Elective or Deemed Payment.
 - Transfer certain credits to another taxpayer.
 - Claim the credit as a General Business Credit.
- (2) For tax periods 202201 through 202212 only, identify an “Elective or Deemed Payment Election” when the taxpayer writes “IRA22DPE” on Form 3800, an attachment, or on any of the following lines:

Form	Lines	Field
Form 1041	Schedule G, Line 16a	Field 0516A
Form 1041-N	Line 20	Field 0526
Form 1041-QFT	Line 17	Field 0526

- (3) When a 202201 through 202212 return is identified with an “Elective or Deemed Payment Election”, and Code and Edit has not done so, do the following:
 1. Enter RPC “J.”
 2. Place a flag at the top of the return and attach the “IRA22 DPE/TRE Reminder” sheet under the Entity portion of the return.

Note: P&A will provide the pre-printed half-sheets for ERS to use.
 3. Suspend with Action Code “450”.

4. Sign the DLN out of the block using Form 1332, Block and Selection Record.
 5. Give the return to the lead. The lead will place the return in the designated area for LB&I review.
- (4) When a 202201 through 202212 return is identified In ERS with a “Credit Transfer”, and Code and Edit has not done so, do the following:
1. Enter RPC “K.”
 2. Place a flag at the top of the return and attach the “IRA22 DPE/TRE Reminder” sheet under the Entity portion of the return.

Note: P&A will provide the pre-printed half-sheets for ERS to use.

3. Suspend with Action Code “450”.
4. Sign the DLN out of the block using Form 1332, Block and Selection Record.
5. Give the return to the lead. The lead will place the return in the designated area for LB&I review.

Note: A return can have both an RPC “J” and an RPC “K.”

- (5) Treat taxpayers who claim the credit on Form 3800 with no other indication of claiming the “Elective or Deemed Payment Election” or “Credit Transfer” as normal. See IRM 3.12.14.25.45 , Error Code 866 - General Business Credits.

3.12.14.7 (01-01-2016) Types of Errors

- (1) IRM 3.12.14.8 provides a description of the types of errors generated during Form 1041 processing.

3.12.14.7.1 (01-01-2016) General

- (1) The Error Resolution System identifies errors according to type and priority. The record heading shows the type of error:
 - Action Code Error (Priority I).
 - Section Error (Priority II) - Includes Terminus and ISRP errors.
 - Validity Error (Priority III).
 - Math/Consistency Error (Error Codes) (Priority IV).
- (2) There may be records where the tax examiner finds that programming has not furnished a section that is needed to solve an error. If this occurs:
 1. Enter Command Code GTSEC.
 2. Report to the National Office for correction of the display.

3.12.14.7.2 (01-01-2016) Priority I Errors - Action Code/Unpostable Code Errors

- (1) **Description:**
 - All records with an **invalid** Action Code assigned by Document Perfection, are placed in the Error Inventory and displayed as a Priority I Error.
 - All records with a **valid** Action Code, are assigned to a Suspense Inventory and displayed as a Priority I Error.
- (2) **Display** - The Action Code for the record with the literal description of the action or unpostable condition will be shown.

- (3) **Error Correction** - Process Priority I errors as follows:

If...	Then...
Suspense action is required	Enter CC "SSPND" with the correct Action Code.
Suspense action is not required	Enter "000" in the Clear Code (CL) field.

Note: Except for priority statute and manual refund cases, do **not** remove the document from the block.

- (4) **Action Code 001** is a Priority I error. This condition occurs whenever the BOB Resolution function has added a document to a block by entering only the Name Control and TIN. The remainder of the record **must** be added by ERS.

- Enter Command Code GTSEC for each record section that should contain data.
- Add the required data.
- When all the sections have been entered, enter "C" in the Clear Field.

- (5) See IRM 3.12.38, BMF General Instructions, for procedures for correcting Priority I Action Code errors in Suspense and Unpostable Code Correction.

3.12.14.7.3
(01-07-2022)

Priority II Errors - Section Errors

- (1) Most edit, missing section, and terminus errors should be eliminated by Integrated Submission and Remittance Processing (ISRP). **However**, edit errors and/or terminus errors may be present if normal ISRP validity checks have been bypassed.

- (2) **Edit Error** - A section with an error detected by ISRP. Edit errors are coded as follows:

- **Code 1** - Split-screen transmission. Occurs when the Key Verifier attempted to change the Check Digit or changed four or more digits of the Primary TIN. Also, occurs when the Original Entry Operator indicates that a required section was missing.
- **Code 3** - Invalid section ending point.
- **Code 4** - Invalid field length.
- **Code 5** - Questionable section. Occurs when a section is entered twice or is entered out of sequence by ISRP.

- (3) **Terminus Error** - A section with variable length fields containing an erroneous size field or otherwise being of erroneous size.

- (4) **Display** - All fields except the ERS Action Code and the Remittance (Payment Received) fields are displayed in columnar format with or without data. The error type is indicated for ISRP Problem Code errors. Only one section (error) is displayed at a time.

- (5) **Content** - Any individual section excluding computer-generated fields and the Action Code. The Action Code is an uncorrectable field, except as defined for SSPND and RJECT.

- (6) **Correction Procedures:**

- **ISRP Errors** - All fields in the section **must** be examined when a ISRP error is present. If Section 01 of a return is coded, examine the section for an error to ensure that the return is for the taxpayer whose name is in Section 01. Correct the section and transmit.
- **Questionable Section** - Verify and enter all the data for the displayed section. Transmit when all the data is correct.
- **Terminus Errors** - All fields of the section **must** be examined when a terminus error is present. Correct the section and transmit.

(7) For any returns suspended prior to the beginning of a new processing year, that are reactivated in the next year to be worked via the Error Resolution System (ERS), the following action will need to be taken to revalidate the return through the updated ERS systemic processes...

1. Access the return record using IDRS Command Code GTREC.
2. Drop the cursor to bottom of the screen and transmit.

After the action in step 2 above is taken, the return can be worked using regular IRM procedures.

3.12.14.7.4
(01-01-2016)

Priority III Errors - Field Errors

(1) **Definition** - Any field failing to meet the requirements for that field (and that field only) is shown as a Priority III error. Consistency and/or relationships with other fields are not a factor. Individual field validity errors to be bypassed after initial consideration, are shown as Priority IV Errors.

(2) Some reasons for field errors include the following:

- Non-numeric character in a numeric field.
- Non-alphabetic character in an alpha field.
- Blank space in a number field.
- Blank in the first position of an alpha field.

(3) **Display** - Every field displayed is in error.

- All fields with a Priority III error are displayed in columnar format in the order encountered in the record.
- An overflow field is identified by all question marks for a money field or a single pound sign in the last position of a Name Line.

Note: The Action Code and Taxpayer Notice Codes are **never** displayed as a Priority III Error.

(4) **Correction Procedures:**

1. Correct **every** error field displayed using the specific instructions within each section for the field in error.
2. Check the information on the source document to determine if each displayed field has been correctly coded and transcribed.
3. Enter the correct data for each field displayed.
4. If no data is to be in a displayed field, blank the field.

3.12.14.7.5
(01-26-2023)

**Part IV Errors -
Consistency/Math Errors**

- (1) **Definition** - Any valid field used in any computation where the result is inconsistent with (or contradictory to) any other valid field, will have Error Code 001-999 assigned and be shown as a Priority IV Error.
 - If the result of the computer computation of an amount differs from the record, the computation fields are shown as a Priority IV Error.
- (2) **Display** - Priority IV errors are displayed with the Error Code for the specific error. The screen display shows the Error Code assigned and the fields needed to make the necessary correction.
 1. Compare the displayed fields with the return. If the field was coded or transcribed incorrectly, overlay the screen display with the correct data.
 2. For those amounts entered from **ERS Input Only Fields** (e.g., Field 05GVT), the first corrections will be entered to the taxpayer's amount.
 3. For all math Error Codes, a field labeled "NC" followed by "XX" will generate. The "NC" field is located on Line 4 of the screen display (to the right of CRECT). Multiple TPNCs may be entered when multiple XXs are shown.
 4. Previously assigned TPNCs are displayed on Line 3 preceded by the literal "NC".
 5. If determined that the generated Math Error Code was the direct result of a previous error, any previously assigned TPNC may be entered.
 6. A field labeled "CL" is displayed for the entry of a Clear Code on records where the possibility exists that a change or correction may not be needed. The "CL" field is located on Line 4 of the screen display (to the right of CRECT). All coding and transcription errors displayed **must** be corrected and IRM procedures for each field shown on the screen display **must** be applied before entering a "C" in the Clear Field.
 7. All errors **must** be resolved by eliminating (or suspending) the error, entering the Clear Code, or entering a Taxpayer Notice Code.
- (3) **Correction Procedures:**

If...	Then...
Clearable consistency errors	<ol style="list-style-type: none"> 1. Correct all misplaced entries, coding errors, and transcription errors. 2. If the data in the field is correct, enter a "C" in the Clear Code field.
Non-clearable consistency errors	Correct all misplaced entries, coding errors, and transcription errors.
Math errors	<ol style="list-style-type: none"> 1. Correct all misplaced entries, coding errors, and transcription errors. 2. If no editing or transcription error is present or the error is the fault of the taxpayer, issue the appropriate Taxpayer Notice Code (TPNC). Note: Once a TPNC is assigned to the record, it will be displayed in all subsequent displays for the record unless a higher Priority IV Error is created.
A correction causes a clear Error Code to no longer be in the error	<ul style="list-style-type: none"> • The TPNC or Clear Code for that Error Code is deleted. • All TPNCs and Clear Codes assigned to all lower priority (higher numeric) Error Codes are deleted also. • Any remaining Error Codes previously cleared are re-displayed.

- (4) For specific correction instructions for each Error Code, see IRM 3.12.14.24 Priority IV Errors - Error Codes 001 Through 999.

3.12.14.8
(01-01-2016)
**Section 01 - Entity
Remittance and
Miscellaneous
Information**

- (1) IRM 3.12.14.9 provides instruction for perfecting Section 01 error conditions.

3.12.14.8.1
(01-01-2016)
General Information

- (1) Section 01 contains entity data, remittance, fields for codes, Received Date, and miscellaneous information.
- (2) The Remittance field **cannot** be changed by ERS.
- **Non-Remittance Returns** -This field **must** be blank.
 - **Remittance Returns** -This field **must** be present and all numeric.

3.12.14.8.2
(01-01-2024)
**Error Record Format -
Section 01**

- (1) Listed below are the fields contained in Section 01. Data in this section is obtained from Form 1041, Form 1041-QFT, and Form 1041-N:

Field Designator	Maximum Length	Title	Location
01NC	4	Name Control/Check Digit	First Name Line, Forms 1041, 1041-QFT, and 1041-N.
01EIN	9	Employer Identification Number	Box "C", Form 1041. Line 2, Form 1041-QFT and Form 1041-N.
01TXP	6	Tax Period	Upper Right Corner, Forms 1041, 1041-QFT, and 1041-N.
01FID	1	Fiduciary Code	Right of the "Simple Trust" box, Form 1041.
01TRC	1	Trust Code	Right of the "Pooled Income Fund" box, Form 1041.
01CCC	10	Computer Condition Code	Center of Line 1 (dotted area), Forms 1041. Center of Line 1a (dotted area), of Forms 1041-QFT, and 1041-N.
01RCD	8	Received Date	Center of Forms 1041, 1041-QFT and 1041-N.
01FIN	9	Fiduciary EIN	Form 1041, Right of Fiduciary's Signature.
01CBI	1	Paid Preparer check box Indicator	Forms 1041, 1041-QFT, and 1041-N, Right of Fiduciary EIN.
01PSN	9	Paid Preparer SSN/PTIN	Forms 1041, 1041-QFT, 1041-N, Right of Paid Preparer Signature.
01PEN	9	Paid Preparer EIN	Forms 1041, 1041-QFT, and 1041-N, Right of Paid Preparer Signature.
01PTN	10	Paid Preparer Telephone Number	Forms 1041, 1041-QFT, and 1041-N, below Paid Preparer EIN.
01CRD	8	Correspondence Received Date	
01ADC	15	Audit Code	Form 1041, page 1, left margin next to Line 10. (Also, on Form 1041-N.) Shown as "1 -" followed by audit code(s).

Field Designator	Maximum Length	Title	Location
01ESB	1	ESBT Indicator	Form 1041, page 1, left margin next to Line 10. Shown as “ 2 - 1 ”.
01PII	1	Pooled Income Fund Indicator	Form 1041, page 1, left margin next to Line 10. Shown as “ 3 - 1 ”.
01PIC	1	Penalty and Interest Code	Form 1041, page 1, left margin next to Line 10. Shown as “ 4 - 1 ”.
01MSC	4	Missing Schedule Code	Reserved. Note: No longer valid.
01ISI	1	Installment Sale Indicator	Form 1041, page 1, left margin next to Line 10. Shown as “ 6 - ” followed by appropriate code.
01HSC	1	Historic Structure Code	Form 1041, page 1, left margin next to Line 10. Shown as “ 7 - 3 ”.
01QNT	6	Form 1041-QFT - Number of Trusts	Form 1041-QFT, Line 4 (Part I).
01EWI	1	E-file Mandate Waiver Indicator	Form 1041, page 1, bottom center margin
01RPC	35	Return Processing Code	Form 1041, page 1, Line 9 Right Margin Form 1041-QFT, page 1, Line 5, right margin Form 1041-N, page 1, Line 5 right margin.

3.12.14.8.3
(01-01-2020)
Field 01NC - Name Control

- (1) **Description** - Field 01NC is located in the entity section of Form 1041.
 - Valid characters are alpha, numeric, hyphen, ampersand, and blank.
- (2) **Invalid Condition** - Field 01NC is invalid if **any** of the following conditions are present:
 - The first position is **not** alpha or numeric.
 - The second, third, or fourth position is **not** an alpha, numeric, hyphen, ampersand, or blank.
 - There are any intervening blanks between characters.

(3) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
2. If the Name Control **cannot** be determined, research ENMOD or INOLE to secure the Name Control.

If...	Then...
Able to locate	Enter the correct Name Control in Field 01NC.
Unable to locate	SSPND 320. Note: If IDRS is not available, SSPND 351/352.

- (4) For information on determining the Name Control for an Estate or Trust, refer to Document 7071-A, BMF Name Control Job Aid.

3.12.14.8.4
(01-01-2023)

**Field 01EIN - Employer
Identification Number**

- (1) **Description** - Field 01EIN is located in the entity section of Form 1041/1041-QFT/1041-N.
 - Only numeric characters are valid.
- (2) **Invalid Condition** - Field 01EIN is invalid if **any** of the following conditions are present:
 - The EIN is **not** numeric.
 - The EIN is less than nine characters.
 - The first two digits of the EIN are: 00, 07, 08, 09, 17, 18, 19, 28, 29, 49, 78, 79, or 89.
 - The EIN is all zeros or all nines.
- (3) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
The EIN was transcribed correctly	Research for another EIN on the return or attachments and enter in Field 01EIN.

If...	Then...
The EIN can't be determined	Research IDRS for the correct EIN using the IAT name search tool. (Note: If IAT is not available, use CC NAMEB/NAMEE, ENMOD, or INOLE). If located, enter the correct EIN. If more than one EIN is located or the correct EIN cannot be located, SSPND 320. Note: If research command codes are not available, SSPND 351.
No EIN can be found	SSPND record with Action Code 320. Route to Entity Control using Routing Slip notated "NO RECORD FOUND".

2. If the EIN is changed from the one the taxpayer used, issue Letter 3875C as a non-suspense letter to the address on the return. Continue processing the return.

Note: Do not send Letter 3875C: if 3 or less digits of the EIN are transposed, different, missing, when INOLES indicates the account has been merged, EIN is consecutive numbers (e.g., 12-3456789) or repeating numbers (e.g., 11-111111), or If the EIN on the return is the taxpayer's SSN and research shows there is a valid EIN for that taxpayer.

(4) **Suspense Correction:**

1. Enter the EIN assigned by Entity in Field 01EIN **and** the entity assignment date in Field 01CRD.
2. If the EIN is changed from the taxpayer's entry and Entity has not already issued Letter 3875C, issue Letter 3875C as a non-suspense letter to the address on the return.

Note: Do not send Letter 3875C: if 3 or less digits of the EIN are transposed, different, missing, when INOLES indicates the account has been merged, EIN is consecutive numbers (e.g., 12-3456789) or repeating numbers (e.g., 11-111111), or when an SSN is used on a BMF return and research has shown there is no entity on Master File when the number is in EIN format.

3.12.14.8.5
(01-01-2023)

Field 01TXP - Tax Period

- (1) **Description** - Field 01TXP is in the upper right corner of Page 1 of Form 1041. The pre-printed calendar year Tax Period is located in the top center margin of Form 1041. If other than the pre-printed calendar year, the Tax Period is indicated under the heading "U.S. Income Tax Return for Estates and Trusts".

- The Tax Period will be shown in “YYYYMM” format.

Example: Tax Period 2012 will display as 202012.

- Only numeric characters are valid.
- The Tax Period is the basis for all Tax Period related mathematical comparisons and validity checks.

(2) **Invalid Condition** - Field 01TXP is invalid if **any** of the following conditions are present:

- The Tax Period is **not** all numeric.
- The month (last two digits) is **not** 01 through 12.
- The Tax Year (first four digits) is **after** the current year.
- The Tax Year is equal to the current year, **but** the month is **after** the current processing month.
- **Form 1041** - The Tax Period is before 196112.
- **Form 1041-QFT** - The Tax Period is before 199708.
- **Form 1041-N** - The Tax Period is before 200312.

(3) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
2. Determine the correct Tax Period from Form 1041 and attachments.

Note: See IRM 3.12.14.26.3, 52-53 Week Tax Period Filers.

If...	Then...
The Tax Period cannot be determined	Enter the current year.
A Final return and the Tax Period Ending is the same as or later than the Received Date	Change the Tax Period to the month preceding the Received Date.
The return was received before the end of the tax period, but the tax period ending date has since passed,	Change the received date to one day after the tax period ending date.
A non-final return and the Tax Period Ending is less than four months after the processing date Example: A return with a Tax Period Ending of 9/10/2022 that is being processed on 6/15/2022	SSPND 480 and attach Routing Slip notated "EARLY FILED."
A non-final return and the Tax Period Ending is four months or more after the processing date Example: A return with a Tax Period Ending of 11/30/2022 that is being processed on 6/15/2022	SSPND 211 and initiate correspondence requesting confirmation of the Tax Period Ending (or follow local procedures for confirmation of the Tax Period Ending). Note: When confirmed, the return will be processed after the end of that Tax Period. If no reply, use current processing year.
The Tax Period Ending is later than the current year-month combination by one year or more	Reduce the Tax Period Ending to the lowest number of full years that make it valid.

If...	Then...
The Tax Period begins and ends in the middle of the month	SSPND 211 and correspond to request confirmation of the Tax Period. Exception: If the return is for a Decedent's estate, use the end of the month for the Tax Period; for example, a return ending December 21, 2020 would be 202012.
Form 1041 -The Tax Period Ending is before 196112 (Non-ADP)	SSPND 620 and attach Routing Slip notated "PRE-ADP".
Form 1041-QFT -The Tax Period Ending is before 199708	SSPND 211 and correspond to determine the correct Tax Period. If no reply, use current processing year.
Form 1041-N -The Tax Period Ending is before 200312	SSPND 211 and correspond to determine the correct Tax Period. If no reply, use current processing year.

- (4) The following applies to all returns if Field 01TXP has been changed or needs to be changed:

If...	Then...
The Tax Period has changed and prepaid credits are present	SSPND 342 and attach Routing Slip and notate "Verify Credits".
Payments are posted to an incorrect Tax Period	SSPND 351 and attach Routing Slip notated "Credit Transfer".

3.12.14.8.6
(01-01-2024)

Field 01FID - Fiduciary Code

- (1) **Description** - Field 01FID is a single numeric field edited to the right of the "Simple Trust" box (Box "A" of Form 1041).
- (2) Valid characters are as follows:

Fiduciary Code	Description
1	Decedent's Estate
2	Simple Trust or Grantor Trust (Partially Taxable)
3	Complex Trust
4	Grantor Trust (Non-Taxable) or Family Estate Trust
5	Bankruptcy Estate - Chapter 7
6	Bankruptcy Estate - Chapter 11
8	Qualified Disability Trust (QDT) Note: "8" is valid for Tax Period 200209 and subsequent.
9	Nonexempt Charitable and Split-Interest Trust described in IRC 4947(a)(2) Note: Always enter "9" in Field 01FID and Audit Code "6" in Field 01ADC when the "Section 4947(a)(2)" box is checked, even if another box is checked.

Caution: A blank is valid **only** if Computer Condition Code "G" (Amended Return) is present in Field 01CCC.

(3) Correction Procedures:

1. Correct all misplaced entries, coding errors, and transcription errors.
2. Ensure that the type of entity box checked agrees with what the name line and exemption amount indicate. If not, treat as a misplaced entry.

Example: If the type of entity is checked for a decedent's estate but the name line says a trust and the exemption is for \$300, then the taxpayer has checked the wrong box. The Simple Trust box needs to be checked and "2" entered into Field 01FID.

Note: The table below shows fiduciary codes and exemption amounts per return type.

Type of Return	Fiduciary Code	Trust Code	Exemption Amount
Decedent's Estate	1	-	\$600
Simple Trust	2	-	\$300
Grantor Trust (Partially Taxable)	2	3	\$100 or \$300
Complex Trust	3	-	\$100 or \$300
Generation Skipping Trust	3	1	\$100 or \$300
Grantor Trust (Non-Taxable)	4	3	\$0
Bankruptcy Estate - Ch. 7	5	-	\$0
Bankruptcy Estate - Ch. 11	6	-	\$0.00
Qualified Disability Trust- IRC 642(b)(2)(C)	8	-	\$4,700 (\$4,400 for tax year 2022) (\$4,300 for tax years 2020 through 2021)
Non-Exempt Charitable or Split Interest Trust Described in IRC 4947(a)(2)	9	-	\$100 or \$300

3. If Field 01FID is other than "1" through "6", "8", or "9", correct as follows:

If...	Then...
The "Decedent's Estate" box is checked	Enter "1" in Field 01FID.
The "Simple Trust" box is checked	Enter "2" in Field 01FID.
The "Complex Trust" box is checked	Enter "3" in Field 01FID.
The "Qualified Disability Trust" box is checked or "Section 642(b)(2)(C)" is notated on the dotted portion of Line 21 and Field 0421 contains an entry of \$4,700 or less.	Enter "8" in Field 01FID.
The "Grantor Trust" box is checked, or you have determined that the return is for a Grantor Trust and the return is taxable, entries are present on any of Lines 1 through 30 of Form 1041	Enter "2" in Field 01FID and enter "3" in Field 01TRC. Exception: Process Form 1041 as a Non-Taxable Grantor Trust (a "4" in Field 01FID) if it is apparent that the return is non-taxable, and the taxpayer has erroneously entered data to Lines 1 through 22.
The "Grantor Trust" box is checked, or you have determined that the return is for a Grantor Trust and the return is non-taxable, no entries on Lines 1 through 23 or the taxpayer has erroneously entered data to Lines 1 through 23	Enter "4" in Field 01FID and enter "3" in Field 01TRC.
The "Bankruptcy Estate - Ch. 7" box is checked	Enter "5" in Field 01FID.
The "Bankruptcy Estate Ch. 11" box is checked	Enter "6" in Field 01FID.
If neither Bankruptcy box is checked	Enter "5" in Field 01FID, if the return indicates it is for a "Bankruptcy Estate".

If...	Then...
Only the "Pooled Income Fund" box is checked	Enter "3" in Field 01FID. GTSEC 01 and enter "1" in Field 01PII.
A 1985 or subsequent Form 1041 is received with a notation that it is for a Testamentary Trust, or the Testamentary Trust box is checked on a 1984 or prior Form 1041	Enter "3" in Field 01FID.
A current year Form 1041 is received with the Yes box checked on Line 9 of the Other Information Section (Page 2) or a notation that it is for a GENERATION SKIPPING TRUST, or A prior year Form 1041 is received with a notation that it is for a Generation Skipping Trust, or the Generation Skipping Trust box is checked (Tax Year 1986 or prior)	Enter "3" in Field 01FID and "1" in Field 01TRC.
The Described in Section 4947(a)(2) box is checked	Enter "9" in Field 01FID and enter "6" in Field 01ADC.
No box is checked, and the Name Line contains a notation that it is for Estate Trust.	Enter "1" in Field 01FID.

Caution: In addition to checking the applicable Type of Entity in Section A of Form 1041, taxpayers are instructed to check the ESBT (S-Portion Only) box in Section A when ESBT (Electing Small Business Trusts) tax applies (if ESBT box is checked, "1" should be in Field 01ESB). Determine the Fiduciary and Trust Code from the box checked, other than the ESBT box. If no other box is checked, follow the procedures below.

4. If no boxes (or multiple boxes) are checked in the entity section of the return **and** the type of return **cannot** be determined from the Name line, Exemption amount, or there isn't a notation on the return indicating the entity type, or the taxpayer notates Nominee enter "3" in Field 01FID.

Exception: If the taxpayer has notated "Receivership", "Substantial Owner", "Revocable (Living) Trust", "Generation Skipping Trust", or "IRC Section 671 - 678", code as a Grantor Trust.

If...	Then...
Grantor Trust (Non-Taxable)	Enter a "4" in Field 01FID and "3" in Field 01TRC.
Grantor Trust (Partially Taxable)	Enter a "2" in Field 01FID and "3" in Field 01TRC.

Note: If Government National Mortgage Association (GNMA - Ginnie Mae) Pool is notated on Form 1041, but entries are present on any of Lines 1 through 21, and Line 22 has a positive amount, then Code & Edit (C&E) has been instructed to correspond to determine if Form 1041 is a Taxable or Non-taxable return. GNMA Pool returns are Non-taxable returns only.

Caution: Amended returns (edited with CCC "G") do **not** receive either a Fiduciary Code or a Trust Code. Every other 1041 **must** have a Fiduciary Code and may have a Trust Code.

3.12.14.8.7 (01-01-2020) Field 01TRC - Trust Code

- (1) **Description** - Field 01TRC is a single numeric field edited to the right of the "Pooled Income Fund" box (Box "A" of Form 1041).
- (2) Valid characters are "1," "2," "3," "4," and blank:
 - **Trust Code 1** - Generation Skipping Trust (should **only** be present with Fiduciary Code "3").
 - **Code 2** - Reserved.
 - **Code 3** - Grantor Trust (should **only** be present with Fiduciary Codes "2" or "4").
 - **Code 4** - Family Estate Trust (should **only** be present with Fiduciary Code "4").

Note: Use Trust Code "3" for a Family Estate Trust when the Grantor Trust box has been checked on the return.

(3) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
2. If Field 01TRC is other than "1" through "4", or blank, correct as follows:

If...	Then...
<p>A current year Form 1041 is received with the Yes box checked on Line 9 of the Other Information Section (Page 2) or a notation that it is for a Generation Skipping Trust, Or</p> <p>A prior year Form 1041 is received with a notation that it is for a Generation Skipping Trust, or the Generation Skipping Trust box is checked (Tax Year 1986 or prior)</p>	GTSEC 01 and enter "3" in Field 01FID and "1" in Field 01TRC.
The Grantor Trust box is checked (either Taxable or non-Taxable)	Enter "3" in Field 01TRC.
A 1993 or subsequent Form 1041 is received with a notation that it is for a Family Estate Trust, or the Family Estate Trust box is checked on a 1992 or prior Form 1041	<p>Enter "4" in Field 01TRC.</p> <p>Exception: Enter "3" in Field 01TRC if the Grantor Trust box is checked.</p>
Form 1041 is received with the notation Qualified Settlement Fund or Settlement Fund	SSPND 320 and attach Routing Slip notated "Possible Filing Requirement Discrepancy".

3.12.14.8.8
(04-18-2022)

Field 01CCC - Computer Condition Code

- (1) **Description** - Field 01CCC is an alpha or numeric field edited in the center of Line 1 of Form 1041.
 - Computer Condition Codes post to the Master File and are used to identify a special condition or computation for the computer.
- (2) **Correction Procedures:**
 1. When the code(s) edited on Form 1041 are illegible or invalid, examine the return to determine the correct code(s) and enter on the screen.
 2. If **no reply** to correspondence or if the correspondence was undeliverable, enter a "3" in Field 01CCC.
- (3) Listed below are the valid Computer Condition Codes for Form 1041:

Code	Definition	Error Checks	Remarks
B	Indicates Section 965(i) Election.		See IRM 3.12.14.6.12, Section 965 Returns - General Information (Tax Period 201712 - 202111).
C	Invalid in-service date and/or vehicle year		<p>C&E will CCC C any return with an invalid in service date and/or vehicle year listed on the attached forms:</p> <ul style="list-style-type: none"> Form 8834 valid in-service date after 2/17/2009, vehicle year 2009, 2010, and 2011. Form 8936 valid in-service date after 1/01/2009, vehicle year 2009, 2010, and 2011. Form 8910 valid in-service date after 2/17/2009. <p>Note: ERS will disallow the credits and notify the taxpayer that we have disallowed the credits due to invalid in-service date and/or vehicle year.</p>
D	Reasonable Cause for Failure to Pay Taxes Timely	Can be used with CCC "R" or "7", but not both (validity check).	
E	Identity Theft		C&E will CCC E any BMF return that has been identified as ID Theft.
F	Final Return	Cannot be Coded "G" (Field Error).	
G	Amended Return	<ul style="list-style-type: none"> No other codes allowed, except W, T, and 3 All fields must be blank except RMIT>, 01NC, 01EIN, 01TXP, and 01RCD and 01CRD (EC 010). 	If CCC "G" is deleted from Field 01CCC, GTSEC to review all sections and input data where necessary.
I	Regulated Futures Contracts and Tax Straddles (Form 6781)		No action - Information item only.

Code	Definition	Error Checks	Remarks
J	Indicates taxpayer with a Section 965 net tax liability		See IRM 3.12.14.6.12, Section 965 Returns - General Information (Tax Period 201712 and subsequent).
K	Qualifying Small Business Taxpayer		<ul style="list-style-type: none"> Indicates box E checked in Part II of Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts, or Indicates box B is checked in Part I of Form 2210-F, Underpayment of Estimated Tax by Farmers and Fishermen. <p>Caution: Only valid after 200912 through 201011.</p>
M	Form 8949 (Sales and Other Dispositions of Capital Assets), Opportunity Zone		<p>Valid for Form 1041. Enter CCC M when:</p> <ul style="list-style-type: none"> Tax period ending is 201801 and later, and Form 8949 (Sales and Other Dispositions of Capital Assets) contains a code "Z" or "Y" in column (f).
N	Form 8939		Indicates that Form 8939, Allocation of Increase in Basis for Property Received from a Decedent, is attached to the 1041 return.
O	Module Freeze		<ul style="list-style-type: none"> Indicates that a pre-settlement manual refund was made or will be made. Form 3753 or Form 5792 should be attached to Form 1041. If TC 840 (Manual Refund) has not posted to BMFOL or TXMOD, SSPND via Action Code 341 (Manual Refund). Otherwise, continue processing.

Code	Definition	Error Checks	Remarks
P	Return submitted under Streamlined Filing Compliance Procedures		Returns annotated at the top with "Streamlined"
R	Reasonable Cause for Failure to File Tax Return Timely	Can be used with CCC "D" or "7", but not both (validity check).	<ul style="list-style-type: none"> A notation such as do not Assess Failure to File Penalty on an SFR,
T	Form 8886		Indicates that Form 8886, Reportable Transaction Disclosure Statement is attached to the 1041 return. Note: For 201201 and later returns.
T	Investor Reporting of Tax Shelter (Form 8271 attached to Form 1041).		No action - Information item only. Note: Only applies to 200709 returns and prior.
V	Claiming Qualifying Therapeutic Discovery Project Credit		Any return with an amount on Line 1a of Form 3800, and part of the amount is from Line 8, Form 3468. Note: Credit is not valid after 201011.
W	Return Cleared by Statute	Must be present on Statute Cases (EC 001).	
X	Credit Freeze		<ul style="list-style-type: none"> Used to freeze a credit balance, when appropriate (unsigned, refund return, and no reply). Prepare Form 3465 and photocopy the return for Adjustments.
Y	Return Filed - Short Period	EC 898	Computer accepts, posts, and settles on return as submitted. Note: Not used on initial or final returns.
1	Related Party Like-Kind Exchange - Form 8824 is attached.		If Form 8824, Like-Kind Exchanges, is attached.

Code	Definition	Error Checks	Remarks
2	Indicates Form 8938 is attached		If Form 8938, Statement of Foreign Financial Assets is attached.
3	No Reply to Correspondence	Cannot be present with Field 01CRD (Field 073).	Prevents interest on refunds.
4	Return Prepared Under IRC 6020(b)	Cannot be used with CCC R.	No action - Information item only.
8	Waiver of Estimated Tax Penalty		<ol style="list-style-type: none"> When the date entity created is within two years of the tax year ending and: <ul style="list-style-type: none"> The return is for a decedent estate or bankruptcy estate, or Taxpayer notated Testamentary Trust, Tstmtry, Trust under the Will, T.U.W., or TR/W in the entity portion of the return. Form 2210 is attached, and any boxes are checked, or Form 2210-F has any other boxes checked. The taxpayer notates Waiver on Line 26 of Form 1041, or on Form 2210 or 2210-F. Taxpayer provides a valid explanation for underpayment, e.g., retired or became disabled during tax year. If all the following conditions are met: <ul style="list-style-type: none"> Schedule H is attached to the return, Form 1041 does not contain withholding credit, and Total tax without household employment tax is less than \$1,000.

Code	Definition	Error Checks	Remarks
9	Low Income Housing Credit (LIHC)	Not valid before Tax Period 198701 (EC 062).	<ul style="list-style-type: none"> Form 8586, Low-Income Housing Credit Form 8609, Low-Income Housing Credit Allocation and Certification, for 200412 and prior. For 8609-A, Annual Statement for Low-income Housing Credit. <p>Caution: Do not use for Form 8611, Recapture of Low-Income Housing Credit.</p>

(4) When CCC “G” is present, no other CCC’s are valid **except** “W”, “T”, and “3”.

- If a CCC other than “W”, “T”, or “3” is present with CCC “G”, delete the invalid CCC.

3.12.14.8.9
(01-01-2022)

Field 01RCD - Received Date

(1) **Description--** Field 01RCD is a numeric field, which is either date stamped or edited in the center of Page 1 of Form 1041.

- Field 01RCD **must** be present and entered in YYYYMMDD format.

(2) **Invalid Condition** - Field 01RCD is invalid if **any** of the following conditions are present:

- The Received Date is **not** present.
- The Received Date is **not** in YYYYMMDD format.
- The Received Date is later than the current processing date.
- The Received Date is **not** all numeric.
- The Received Date is before 19620101.
- The Received Date is **not** within the valid month, day range detailed below:

Month	Day
01, 03, 05, 07, 08, 10, and 12	01-31
04, 06, 09, and 11	01-30
02	01-28 (29 leap year)

(3) **Correction Procedures:**

- Correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
The Received Date is invalid, and it appears that the incorrect year was used (e.g., "20220115" instead of "20230115") and other information (Julian Date "minus 10 days", Postmark Date, and/or Signature Date) indicates that the Received Date should be the current year	Change the Received Date year to the current year.
The Received Date cannot be determined	Determine the entry to Field 01RCD using the following priority order: <ol style="list-style-type: none"> The earliest legible Postmark Date (U.S. Postal Service or Private Delivery Service) on the envelope. Note: If an envelope is not attached, use the postmark date stamped on the face of the return. Service Center Automated Mail Processing System (SCAMPS) digital date. The Revenue Officer's Signature Date. The Return Signature Date (if within the current year). The Julian Date in the DLN minus 10 days (on numbered returns). The Current Date minus 10 days (on unnumbered returns).
Multiple Received Dates are present	Enter the earliest Received Date in Field 01RCD.
The Tax Period Ending is before 19620101 (non-ADP)	SSPND 620.
The return was addressed to the IRS and delivered to a state agency	Use the postmark date as the received date.
The return was addressed to a state agency	Use the IRS date stamp as the received date.

(4) **Determining Postmark Dates:**

- **Only** legible official postmark date and/or label dates (Killer Bar Strips or Postage Validation Imprinted Labels) are accepted as proof of filing timely.
- Metered Postmarks are easily identified by the official marking of arrows. These types of markings are not found on a privately metered postmark.

- Valid official Killer Bar Strips are identified by a series of solid or broken lines containing a date, city, and state that is used to cancel postage stamps. Accept the postmark date as the Received Date.
- For further information and procedures on Postmarks, see IRM 3.10.72, Receiving, Extracting, and Sorting.

(5) **Private Delivery Services** - A private delivery service (PDS) is a business, designated by the IRS (rather than by the U.S. Postal Service), to send returns to the IRS. Private delivery services do **not** deliver to P.O. Boxes. Taxpayers must use the U.S. Postal Service to mail items to an IRS P.O. Box address. The postmark date is the date the private delivery service records in its database or marks on the mailing label.

1. Accept all designated PDS marks. Do **not** use marks from a non-designated PDS to determine the IRS Received Date. See www.irs.gov/pds for a list of currently designated Private Delivery Services.
2. The "Timely Mailing as Timely Filing" rule applies **only** to the U.S. Postal Service and to a designated PDS. When the rule applies to a PDS, it is referred to as a "Designated" PDS.
3. Currently, only FedEx marks air bills with the mailing date. Do **not** use FedEx "Power ship 3" air bills for determining the mail date. Accept all other FedEx air bills.
4. Use the instructions in IRM 3.10.72 for determining the Received Date when the mail marks are **not** from a designated PDS.

3.12.14.8.10
(01-01-2019)
**Field 01FIN - Fiduciary
EIN**

- (1) **Description** - Transcribed from the right of the Signature Section of Form 1041.
- (2) **Invalid Condition** - Field 01FIN is invalid if **any** of the following conditions are present:
 - Field 01FIN is **not** nine numbers.
 - Field 01FIN is all zeros or all nines.
 - The first two digits (Area Office Code) are: 00, 07, 08, 09, 17, 18, 19, 28, 29, 49, 78, 79, or 89.
- (3) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.
 2. If the Fiduciary EIN is still invalid **or** if the return is nontaxable, amended or for an Estate, delete Field 01FIN.
- (4) Do **not** enter the Fiduciary EIN if **any** of the following conditions exist:
 - The return is for an Estate (Box A).
 - Field 0525A is blank.
 - Field 0423 is blank.
 - The Fiduciary's EIN is illegible or less than nine numeric digits.
 - The Fiduciary's EIN is the same as the Trust's EIN (Box C).
 - The fiduciary is **not** a trust or financial institution (i.e., bank, credit union, savings and loan).
 - The return is amended (Box F).

3.12.14.8.11
(01-01-2016)
**Field 01CBI - Paid
Preparer Check Box
Indicator**

- (1) **Description** - Transcribed from the right of Field 01FIN (Fiduciary EIN) in the Signature Section of Form 1041. The Paid Preparer check box is used to indicate whether the taxpayer has elected to allow the Paid Preparer to answer questions about the taxpayer's return as it is processed.
 - Valid characters are "1" and blank.
 - If the taxpayer checks only the Yes box, Code & Edit should edit a "1" in the margin to the right of the Paid Preparer check box.
- (2) **Invalid Condition** - Field 01CBI is invalid if other than "1" or blank
- (3) **Correction Procedures:**
 - Correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
The "Yes" box is checked	Enter "1" in Field 01CBI.
The "No" box is checked; Neither box is checked; or , both boxes are checked	Delete Field 01CBI and continue processing.

3.12.14.8.12
(01-01-2017)
**Field 01PSN - Paid
Preparer's TIN (PTIN)**

- (1) **Description** - Transcribed from the right of the Paid Preparer's Section of Form 1041.
 - Data may or may not be present in Field 01PSN.
 - Valid characters are all blank, or with a "P" in the first character followed by eight numerics (PTIN).

Note: The first character in the PTIN **must** begin with the alpha "P".
The range for a valid PTIN is P00000001 through P99999998. A "P" followed by all zeroes, or all nines, is **not** valid.
- (2) **Invalid Condition** - Field 01PSN is invalid if **any** of the following conditions are present:
 - Field 01PSN is **other than** a "P" followed by eight numeric digits,
 - Field 01PSN is all zeros or all nines.

Caution: Preparer's Social Security Number (SSN) is no longer acceptable.

- (3) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.
 2. If "P" is missing, add to Field 01PSN.
 3. If unable to determine a valid entry, delete Field 01PSN.

3.12.14.8.13
(01-01-2016)
**Field 01PEN - Paid
Preparer EIN**

- (1) **Description** - Transcribed from the right of the Paid Preparer's Section of Form 1041.
 - Data may or may not be present in Field 01PEN.
 - Valid characters are all blank or all numeric.

Exception: Field 01PEN will be invalid if all nines, all zeroes, or less than nine digits.

- (2) **Invalid Condition** - Field 01PEN is invalid if **any** of the following conditions are present:
- Field 01PEN is **not** nine numeric digits.
 - The first two digits of the EIN are: 00, 07, 08, 09, 17, 18, 19, 28, 29, 49, 78, 79, or 89.
 - Field 01PEN is all zeros or all nines.
- (3) **Correction Procedures:**
1. Correct all misplaced entries, coding errors, and transcription errors.
 2. If unable to determine the valid entry, delete Field 01PEN.

3.12.14.8.14
(01-01-2016)
**Field 01PTN - Paid
Preparer Telephone
Number**

- (1) **Description** - Transcribed from the right of the Paid Preparer's Section of Form 1041.

Note: If the taxpayer has checked Yes in the Paid Preparer check box, a telephone number should be entered to allow contact, but this field is not required and may be blank.

- Data may or may not be present in Field 01PTN.
- Valid characters are alpha and numeric.

- (2) **Invalid Condition** - Field 01PTN is invalid if other than alpha, numeric or blank.
- (3) **Correction Procedures:**
1. Correct all misplaced entries, coding errors, and transcription errors.
 2. If invalid, delete Field 01PTN and continue processing.

3.12.14.8.15
(01-01-2020)
**Field 01CRD--
Correspondence
Received Date**

- (1) Field 01CRD is a numeric field edited on the front of the 1041.
- The Correspondence Received Date (CRD) should be present when returns have been held in Suspense and the reply is received **after** the Return Due Date.
 - If present, Field 01CRD **must** be entered in YYYYMMDD format.
- (2) **Invalid Condition** - Field 01CRD is invalid if **any** of the following conditions are present:
- Not numeric.
 - Not in YYYYMMDD format.
 - Not a valid date.
- (3) **Correction Procedures** - Correct all misplaced entries, coding errors, and transcription errors.
- Compare the field with the return:

If...	Then...
The Correspondence Received Date cannot be determined (i.e., illegible)	Check the attached correspondence for the CRD.
Multiple Correspondence Received Dates are present	Use the CRD that made the return processable in Field 01CRD.

- (4) **Determining the CRD** - If the reply was **not** date stamped, determine the CRD in the following **priority order**:
- The IRS Date Stamp - Placed on the return or reply by the Receipt and Control function when the return is received with a reply to the correspondence.
 - The U.S. Postal Service postmark or metered date on the reply envelope.
 - The current date.
- (5) Enter the CRD (YYYYMMDD) in Field 01CRD **except** in the following situations:
- Correspondence was **not** necessary **or** was issued in error.
 - The correspondence reply was received before the Return Due Date.
 - The correspondence was required because an IRS processing error was identified.
- (6) If **no reply** or the correspondence was undeliverable, enter "3" in Field 01CCC.
- (7) On returns, which have been sent back to the taxpayer (correspondence is attached), the original stamped Received Date should be circled-out and the date on which the correspondence is received should be edited as the Received Date in the Deductions Section on Form 1041.
- (8) If there is an indication that Entity has assigned an EIN to the return, enter the entity assignment date (lower left corner of Form 1041) in Field 01CRD, if the entity assignment date is later than the Received Date and Return Due Date.

3.12.14.8.16
(01-01-2024)

Field 01ADC - Audit Codes

- (1) **Description** - Field 01ADC is a numeric field transcribed from the left margin next to Line 10 identified by "1 -" followed by the appropriate audit code(s). Audit Codes are used to alert Examination to a particular condition on the return.
- (2) Up to fifteen Audit Codes may be entered in Field 01ADC. Enter Audit Codes using the following priority order:

Priority Order	Audit Code	Description
1	8	Form 1041-N
2	3	Inconsistent Treatment
3	2	Foreign Interest
4	1	International
5	4	Prompt Audit Request
6	5	Ineligible Fiscal Year Filers
7	6	Nonexempt Charitable and Split-Interest Trusts
8	7	Not a private foundation

- (3) **Invalid Condition** - Field 01ADC will generate as a field error if the Audit Code is other than blank or the valid codes listed above.
- (4) Field 01ADC will also generate when Audit Code "8" is present and the Document Code is not "39".
- (5) **Correction Procedures** - Correct all misplaced entries, coding errors, and transcription errors.
- (6) Determine the appropriate Audit Code as follows:

Audit Code	Description
1	<p>International - Enter "1" in Field 01ADC if any of the following conditions are present:</p> <p>b. Line 18 (Income Distribution) or Line 22 (Taxable</p> <p>the following conditions are present:</p> <ul style="list-style-type: none"> • Form 5471 is attached. • Form 8865 is attached. • Schedule K-1 (Form 1041) has a non-U.S. Address. • The Yes box is checked on Line 4 (Foreign Trust) of the "Other Information" section.
2	<p>Foreign Interest - Enter "2" in Field 01ADC if the Yes box is checked and/or a foreign country is listed on Line 3 (Foreign Interests) of the "Other Information" section of Form 1041.</p>

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Audit Code	Description
3	Inconsistent Treatment - Enter "3" in Field 01ADC if any of the following conditions are present: <ul style="list-style-type: none"> • Form 8082 is attached. • Form 8275/8275-R is attached. • Form 8886 is attached. • After correspondence, the taxpayer has failed to provide a Form 8824 (Like-Kind Exchange). • After correspondence, the taxpayer has failed to provide a Schedule K-1, or the K-1 is incomplete. • The taxpayer has notated that they are "Complying with IRS Regulation 1.442-1(C)".
4	Prompt Audit Request - Enter "4" in Field 01ADC if any of the following conditions are present: <ul style="list-style-type: none"> • Form 4810 is attached. • The return contains an attachment or notation of a "Request for Prompt Audit Assessment" or by citing "IRC 6501(d)".
5	Ineligible Fiscal Year Filers - Enter "5" in Field 01ADC if the taxpayer is filing a Fiscal Year return and the return is not for one of the following filers (qualified to file on a Fiscal Year basis): <ul style="list-style-type: none"> • Estate or a trust filing as an estate under IRC 645. • Nonexempt Charitable Trust under IRC 4947(a)(1). • One of the following notations is shown on the return: <ul style="list-style-type: none"> • IRC 501(a) • IRC 671 through IRC 679 • IRC 443(b)(2) • No reply to correspondence on unexplained short period returns. <p>Caution: Do not use Audit Code "5" on an Initial or Final Return that has a Tax Period ending date in December (calendar year filer).</p>
6	Nonexempt Charitable and Split-Interest Trusts - Enter Audit Code "6" if: <ul style="list-style-type: none"> • The first box (Described in section 4947(a)(1)) or third box (Described in section 4947(a)(2)) is checked in Section E of Form 1041.
8	<p>Caution: No other Audit Codes are valid if Audit Code "8" is required.</p>

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3.12.14.8.17
(01-01-2020)
Field 01ESB - ESBT Indicator

- (1) **Description** - Field 01ESB is a numeric field edited in the left margin next to Line 10 as “2 - 1” when the ESBT (S portion only) box is checked in “Box A, Type of Entity” in the upper left on page 1.
- (2) Valid characters are “1” and blank. “1” indicates the “ESBT” box is checked.
- (3) **Invalid Condition** - Field 01ESB will generate as an error if the ESBT Indicator is other than “1” or blank.
- (4) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors and transcription errors.
 2. Compare the screen entry with the entry on the return. If the field was coded or transcribed incorrectly, correct the screen display and the return when necessary.

3.12.14.8.18
(01-01-2020)
Field 01PII - Pooled Income Fund Indicator

- (1) **Description** -- Field 01PII is a numeric field edited in the left margin next to Line 10 as “3 - 1” when the Pooled Income box is checked (upper left corner of Page 1).
- (2) Valid characters are “1” and blank.
 - **PII Code “1”** is entered to identify when the Pooled Income Fund box is checked on Form 1041 (Box A, Type of Entity).
- (3) **Invalid Condition** - Field 01PII will generate as a field error if the PII Code is other than “1” or blank.
- (4) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.
 2. Compare the screen entry with the entry on the return. If the field was coded or transcribed incorrectly, correct the screen display and the return when necessary.

3.12.14.8.19
(01-01-2020)
Field 01PIC - Penalty and Interest Code

- (1) **Description** - Field 01PIC is a numeric field edited in the left margin next to Line 10 as “4 - 1”.
 - The Penalty and Interest Code is edited when Form 1041 is received
- (2) Valid characters are “1” and blank.
- (3) **Invalid Condition** - Field 01PIC will generate as a field error if the Penalty and Interest Code is other than “1” or blank.
- (4) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.
 2. Compare the screen entry with the entry on the return. If the field was coded or transcribed incorrectly, correct the screen display and the return when necessary.

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3.12.14.8.20
(01-01-2020)
**Field 01MSC - Missing
Schedule Code**

- (1) C&E is no longer going to edit Missing Schedule Codes in the left margin of the return. Instead, they are to correspond for the missing schedules.
- (2) **Correction Procedures:**
 1. Delete the entry in Field 01MSC.
 2. If there is no indication C&E has requested the missing form(s)/

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3.12.14.8.21
(01-01-2020)
**Field 01ISI - Installment
Sales Indicator**

- (1) **Description** - Field 01ISI is edited in the left margin next to Line 12 as “6 -” followed by the appropriate code when Form 6252 (Installment Sale Income) is attached.
- (2) Valid characters are “1,” “2,” “3,” and blank.

ISI Code	Description
1	Indicates a Yes to Question “3” of Form 6252 (Installment Sale Income).
2	Indicates a No to Question “3” of Form 6252.
3	Indicates that Form 6252 is attached but there is a multiple, illegible, or no response to Question “3”.

Caution: If multiple Forms 6252 are attached, enter ISI Code 1 (“Yes”) if at least one Form 6252 has a positive response. If Form 6252 is **not** attached, Field 01ISI will be blank.

- (3) **Invalid Condition** - Field 01ISI will generate as a field error if the Installment Sales Indicator Code is other than “1,” “2,” “3,” or blank.
- (4) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.
 2. Correct the return when necessary.

3.12.14.8.22
(01-01-2020)
**Field 01HSC - Historic
Structure Code**

- (1) **Description** - The **Historic Structure Code** applies to any return for Tax Periods **198212 and subsequent**.
- (2) Field 01HSC is edited in the left margin next to Line 12 as “7 - 3” when the

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following:

- TY 2010 and subsequent: If there are entries under Part III, Line 11; specifically, Lines e, f, g, h, i, or j.
- For TY2008 and subsequent - Code 3 if an amount is present in Part III, on Line 10, e, f, g, h, i, or j.
- For tax year 2006 - 2007 - Code “3” if an amount is present on Line 1, e, f, g, or h.
- For tax years 1995 through 2005 - Code “3” if an amount is present on Line 1, b, or c.

- (3) Valid Historic Structure Codes are “3” and/or blank.

- (4) **Invalid Condition** - Field 01HSC will generate as a field error when the Historic Structure Code is other than “3” or blank.
- (5) **Correction Procedures:**
 1. Correct all misplace entries, coding errors and transcription errors.
 2. Leave Field 01HSC blank if there are **no** entries on Lines 1a through 1d,
- (6) If a Department of Interior Certification letter or form is attached to the return, do **not** detach it from Form 1041.

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3.12.14.8.23
(01-01-2020)

Field 01QNT - Number of Trusts (Form 1041-QFT)

- (1) **Description** - Field 01QNT is in the entity section (Part I) of **Form 1041-QFT only**. Valid characters are **numeric only**.

- **Form 1041-QFT** - Transcribed from Line 4 (Part I).

Note: Any entries in this field for other than 1041-QFTs, are invalid and were transcribed in error.

- (2) **Invalid Condition** - Field 01QNT will generate as a field error if other than numeric.
- (3) **Correction Procedures** -Correct all misplaced entries, coding errors, and transcription errors.

Exception: If Line 4 is blank or zero on Form 1041-QFT, input a “1” in Field 01QNT.

3.12.14.8.24
(01-01-2016)

Field 01EWI - E-file Mandate Waiver Indicator

- (1) **Description** - will be edited on the bottom center margin of the 1041 return, page 1. It will be used whether or not the Form 8948, Preparer Explanation for Not Filing Electronically, has been attached to the 1041 return. Valid characters are the following numeric one-digit code:

- **Blank** - No E-file waiver Form 8948 attached.
- **1** - Taxpayers elected to file return on paper.
- **2** - Waiver from requirements to electronic file applied for and received.
- **3** - Taxpayers are members of a religious group exempt from electronically filing the return.
- **4** - Return was rejected by IRS E-File and the preparer was unable to resolve the reject condition.
- **5** - E-File software package does not support forms or schedules attached to the return.
- **6** - Other circumstances prevented taxpayers from filing the return electronically.
- If multiple boxes are checked the priority order would be: 6a or 6b, 3, 2, 1, 4, 5, 6c.

3.12.14.8.25
(04-21-2023)

Field 01RPC - Return Processing Code (RPC)

- (1) **Description** - Return Processing Code (RPC) is an alpha or numeric character used to identify a specific condition on the return.

(2) RPCs are edited on Page 1, to the right of Line 1 in the margin area for Form 1041, Form 1041-QFT, and Form 1041-N.

(3) A maximum of 35 RPCs can be entered into Field 01RPC.

Note: RPCs do **not** need to be entered into Field 01RPC in any specific order.

(4) The valid RPC codes are:

RPC	Form and Title
1	Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts
2	Form 8992, Global Intangible Low-Taxed Income (GILTI)
3	Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI)
4	Form 8994, Employer Credit for Paid Family and Medical Leave
5	Reserve for Future use
6	Form 8996, Qualified Opportunity Fund
7	Form 8990, Limitation on Business Interest Expense Under Section 163(j)
8	Form 461, Limitation on Business Losses
9	Form 8997, Initial and Annual Statement of Qualified Opportunity Fund Investments
A	Form 5471, Schedule E, Income, War Profits, and Excess Profits Taxes Paid or Accrued
B	Form 5471, Schedule H, Current Earnings and Profits
C	Form 5471, Schedule I -1, Information for Global Intangible Low-Taxed Income
D	Form 5471, Schedule P, Previously Taxed Earnings and Profits of U.S. Shareholder of Certain Foreign Corporations
E	Form 8865, Schedule G, Statement of Application of the Gain Deferred Method Under Section 721 (c)
F	Form 8865, Schedule H, Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721 (c)
G	Form 5471, Schedule G-1, Cost Sharing Arrangement.
J	(For tax periods 202201 through 202212 only) Taxpayer writes IRA22DPE on Form 3800, or Form 1041, Schedule G, Line 16A, or on an attachment.

RPC	Form and Title
K	(For tax periods 202201 through 202212 only) Taxpayer writes IRA22TRE on Form 3800, at the top of the return, or on an attachment.
L	(For tax periods 202201 through 202212 only) Form 7204, Consent to Extend the Time to Assess Tax Related to Contested Foreign Income Taxes - Provisional Foreign Tax Credit Agreement, is attached.
M	(For tax periods 202201 through 202212 only) Form 7205, Energy Efficient Commercial Buildings Deduction, is attached.

3.12.14.9
(01-01-2016)
Section 02 - Address Fields

- (1) Section 02 contains address information of the estate or trust.
Note: See Document 7475, State Abbreviations, Major City Codes, and Address Abbreviations.
- (2) Ogden Submission Processing Campus (OSPC) will process Foreign/ International addresses and U.S. Territories.
- (3) The determination of a foreign address is based only on the address of the Trust:
 - a. A foreign (international) address is any address that is not in one of the 50 states or the District of Columbia.
 - b. All U.S. Territories are considered foreign.

U.S. Territories & Freely Associated States

U.S. Territories	Freely Associated States
• American Samoa	• The Federated States of Micronesia
• Guam	• The Republic of the Marshall Islands
• Northern Mariana Islands	• The Republic of Palau
• Puerto Rico	
• U.S. Virgin Islands	

- (4) An Army Post Office (APO), Diplomatic Post Office (DPO), or Fleet Post Office (FPO) is **not** a foreign address. The Postal Service established new address requirements for APO/DPO/FPO addresses. If an address appears in the old APO/DPO/FPO format, such as "APO New York, NY 091XX", convert to the new State code based on the ZIP Code as follows: "APO AE 091XX".

If ZIP Code is...	Then convert to...
340XX	AA
090	AE
962-966	AP

- (5) All returns with a foreign or U.S. Territory or Freely Associated State (FAS) address must be shipped to OSPC.
1. SSPND 650.
 2. Attach Form 4227 with the notation "Forward to OSPC".
 3. Prepare Letter 86C to inform the taxpayer that the return has been sent to Ogden.

3.12.14.9.1 (01-01-2016)

Foreign Addresses (OSPC Only)

- (1) A foreign address will contain:
- Street Address or P.O. Box
 - City or town name
 - Other principal subdivision (i.e., province, state, county, etc.)
 - Postal code, if present
 - Foreign country
- (2) Returns with addresses in the U.S. Territories or Freely Associated State (FAS) are considered to be a foreign return for processing purposes but are entered the same as domestic addresses.
1. A two-character alpha code must be entered in Field 02ST for the territory or Freely Associated State (FAS) name.

U.S. Territory or Freely Associated State	Abbreviation
American Samoa	AS
The Federated States of Micronesia	FM
Guam	GU
The Republic of the Marshall Islands	MH
Northern Mariana Islands	MP
The Republic of Palau	PW
Puerto Rico	PR
Virgin Islands (U.S.)	VI

2. A ZIP Code must be present.

3.12.14.9.2
(01-01-2016)

Error Record Format - Section 02

- (1) Listed below are the fields contained in Section 02. Data in this section is obtained from Forms 1041, 1041-QFT, and 1041-N:

Field Designator	Maximum Length	Title	Location
02CON	35	In-Care-of Name	Entity section of Forms 1041, 1041-QFT, and 1041-N.
02FAD	35	Foreign Address	Entity section of Forms 1041, 1041-QFT, and 1041-N.
02ADD	35	Address	Entity section of Forms 1041, 1041-QFT, and 1041-N.
02CTY	22	City	Entity section of Forms 1041, 1041-QFT, and 1041-N.
02ST	2	State	Entity section of Forms 1041 1041-QFT, and 1041-N.
02ZIP	12	ZIP Code	Entity section of Forms 1041 1041-QFT, and 1041-N.

3.12.14.9.3
(01-01-2016)

◆Field 02CON - In-Care-of Name (35 Positions)◆

- (1) **Description** - Field **02CON** is in the entity section of the return.
- (2) **Valid Condition** - Field **02CON** has 35 positions and valid characters are alpha, numeric, ampersand, dash, slash, or percent (%).

Note: The first character of the in-care-of name must be alpha or numeric.

- (3) **Invalid Condition** - Field **02CON** is invalid if any of the following conditions are present:
- The first position is % (percent) and the second position is not blank, or
 - The first position is blank, or
 - The first character of the in-care-of name is not alpha or numeric, or
 - There are two consecutive blanks between significant characters.
- (4) **Correction Procedures** - Correct coding and transcription errors.

If...	Then...
A % (percent) is in the first position,	<ol style="list-style-type: none"> 1. Verify there is a blank in the second position. 2. If not blank, enter a blank followed by the in-care-of name beginning with an alpha or numeric in Field 02CON.
A blank is in the first position,	Enter the in-care-of name beginning with an alpha or numeric in Field 02CON .
The first character of the in-care-of name is not an alpha or numeric,	<ol style="list-style-type: none"> 1. Verify the in-care-of name on the return. 2. Enter the in-care-of name beginning with an alpha or numeric in Field 02CON.
Two consecutive blanks are present between significant characters,	Delete any unnecessary blanks in Field 02CON .

3.12.14.9.4
(11-17-2017)

◆ **Field 02FAD - Foreign Address** ◆

- (1) **Description** - Field **02FAD** is in the entity section of the return.
 - This field will contain an entry when there is a foreign address present on the return.
 - Field **02FAD** should not be present on "G" coded short length returns.
- (2) **Valid Condition** - Valid characters are alpha, numeric and special characters.
- (3) **Invalid Condition** - Field **02FAD** will generate as an error when any of the following conditions are present:
 - The first position is blank.
 - Any character follows two consecutive blanks.
 - There are more than 35 characters present in the field.

Note: ISRP is instructed to input a pound sign (#) as the 35th character if there are more than 35 characters present for this field on the return.

- (4) **Correction Procedures:**
 1. Correct all coding and transcription errors.

If...	Then...
Field 02FAD is present	<ol style="list-style-type: none"> 1. GTSEC 02 2. Ensure Field 02CTY contains a foreign country code and Field 02ST contains a “. (period/space)”. See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries. Exception: Use the country code based on the province in Field 02CTY if the foreign address is from Canada and the address contains a province name or abbreviation. See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.
A province abbreviation is not present for Australia, Brazil, Canada, Cuba, Italy, Mexico, or The Netherlands but a province name is present,	Enter the province abbreviation in the appropriate position in Field 02FAD . See IRM 3.12.14.6.12.4., Province, State and Territory Abbreviations.
A foreign address is not present on the return	<ol style="list-style-type: none"> 1. SSPND 610 2. Renumber return with domestic DLN.

Caution: Domestic addresses are required on all 1041-N returns.

2. If Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party- Business, is attached to the return, compare the name and address information on the Form 8822 or Form 8822-B to the return.

Note: A business may have two addresses. One is the mailing address and the other is the location address or physical location of the business.

If...	And...	Then...
The information is the same,	All the following applies: <ul style="list-style-type: none"> • Mailing address information is the same, • No location address is listed on Form 8822/8822-B, Line 7, • No entry on Form 8822-B, Lines 8 or 9, 	Take no action and continue processing.
The information is different,	Any of the following applies: <ul style="list-style-type: none"> • Mailing address information is different, • Location address is listed on Form 8822/8822-B, Line 7, • An entry is listed on Form 8822-B, Lines 8 or 9, 	<ol style="list-style-type: none"> 1. Enter address shown on Form 8822/Form 8822-B in Field 02FAD. 2. Notate "Form 8822 or Form 8822-B detached" on tax return. 3. Detach Form 8822/Form 8822-B and route to Entity Control using Form 4227 Intra-SC Reject or Routing Slip, or follow local procedures (e.g., Form 13934, Merge Sheet) 4. Notate on Form 4227, "Change Of Address Per Form 8822 or Form 8822-B".

Note: The lead tax examiner is required to batch all Form 8822 or Form 8822-B daily and hand carry to Entity Control for expedite processing.

3.12.14.9.5
(01-01-2017)

Field 02ADD - Street Address (35 Positions)

(1) **Description** - Field 02ADD is in the entity section of the return.

- Field 02ADD should **not** be present if Field 01CCC contains a "G" (Amended Return).

(2) **Valid Condition** - Valid characters are alpha, numeric, blank, dash, or slash.

(3) **Invalid Condition** - Field 02ADD will generate as a field error when **any** of the following conditions are present:

- Any character is present **other than** alpha, numeric, blank, dash, or slash.
- The first position is blank.
- Any character follows two consecutive blanks.
- There are more than 35 characters present in this field.

Note: ISRP is instructed to input a pound sign (#) as the 35th character if more than 35 characters are present for this field on the return.

(4) **Correction Procedures:**

- Correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
The 35th character is a pound sign (#)	Abbreviate to 35 characters or fewer.
The Street Address is missing or in error and a valid Major City Code is present	<ol style="list-style-type: none"> 1. Enter the entire City Name (spelled out, not in Major City format) in Field 02CTY. 2. Enter the State Code in Field 02ST. <p>Note: For a listing of Major City Codes (listed by state), see Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries</p>
Unable to perfect	DLSEC 02.
A "&" or a "%" sign is present	Change "&" to "and" and/or change "%" to "c/o".

(5) If Form 8822, **Change of Address**, or Form 8822-B, **Change of Address or Responsible Party- Business**, is attached to the return, compare the name and address information on the Form 8822 or Form 8822-B to the return.

Note: A business may have two addresses. One is the mailing address and the other is the location address or physical location of the business.

If...	And...	Then...
The information is the same,	All the following applies: <ul style="list-style-type: none"> • Mailing address information is the same, • No location address is listed on Form 8822/ 8822-B, Line 7, • No entry on Form 8822-B, Lines 8 or 9, 	Take no action and continue processing.
The information is different,	Any of the following applies: <ul style="list-style-type: none"> • Mailing address information is different, • Location address is listed on Form 8822/ 8822-B, Line 7, • An entry is listed on Form 8822-B, Lines 8 or 9, 	<ol style="list-style-type: none"> 1. Enter address shown on Form 8822/Form 8822-B in Field 02FAD. 2. Notate "Form 8822 or Form 8822-B detached" on tax return. 3. Detach Form 8822/Form 8822-B and route to Entity Control using Form 4227 or follow local procedures. 4. Notate on Form 4227, "Change Of Address Per Form 8822 Or Form 8822-B".

Note: The lead tax examiner is required to batch all Form 8822 or Form 8822-B daily and hand carry to Entity Control for expedite processing.

- (6) **Multiple Addresses** -If more than one Address is present, research INOLE and determine the correct Address as follows:

If...	Then...
INOLE matches one of the Addresses on the return	Enter the first Address found on the return to Field 02ADD.
INOLE does not match any of the Addresses on the return	Delete Section 02 and continue processing the return.

3.12.14.9.6
(01-01-2016)

Field 02CTY - City (22 Positions)

- (1) **Description** - Field 02CTY is in the entity section of the return.
- (2) Valid characters are alpha and blank.
- (3) **Invalid Condition** - Field 02CTY will generate as a field error when **any** of the following conditions are present:
 - The first position is blank.
 - Any character is present other than blank or alpha.
 - Any character follows two consecutive blanks.
 - The Major City Code does **not** match any of the valid codes in the Major City Code Table.
 - The Foreign Country Code (FCC) does not match any of the valid codes in Document 7475.
- (4) **Correction Procedures:**
 - Correct all misplaced entries, coding errors, and transcription errors.

Note: For a listing of Major City Codes (listed by state) and valid Foreign Country Codes (FCC) **see Document 7475**,

If...	Then...
A Major City Code is used	Field 02CTY must be present.
Field 02CTY contains an error	Check to see if the Major City Code is correct.
Field 02CTY is not valid and a Major City Code cannot be determined	Input the entire city name.
A Major City Code is not used and Field 02CTY is present	Field 02ST (State) must be present.
A foreign address is shown on the return	Enter the appropriate FCC in Field 02CTY. See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries
Field 02CTY contains an incorrect country code or "XX"	Enter appropriate foreign country code in Field 02CTY. If there is no valid FCC, input the entire country name. See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries

3.12.14.9.7 (01-01-2016)

Field 02ST - State (2 Positions)

- (1) **Description** - Field 02ST is in the entity section of the return.
- (2) Valid characters are alpha and blank.
- (3) **Invalid Condition** - This field is invalid if it is not contained in the State Code Table.
- (4) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors.
 2. For a description of valid State Codes, Document 7475.
 3. If unable to perfect, DLSEC 02.
- (5) **Foreign Address Processing** - International Fiduciary Returns are all Form 1041 with a foreign Address in the Name and Address section of the return. All foreign/international Address returns will be processed at the Ogden Submission Processing Campus (OSPC).
 - The determination of a foreign address is based on the address of the estate or trust located on Page 1 of Form 1041.
 - A foreign address is any address that is **not** in one of the 50 states or the District of Columbia.
 - **All returns with a foreign address must be shipped to Ogden Submission Processing Campus.** SSPND 650 and attach Form 4227 with the notation "Forward To Ogden Submission Processing Center".

(6) **APO/DPO/FPO Addresses** -An APO, DPO or FPO address is **not** a foreign address.

- The U.S. Postal Service established new requirements for APO/DPO/FPO addresses.
- If the old address appears (i.e., AP New York, NY 091XX), convert the address to the new state code abbreviations based on the ZIP Code:

ZIP Code	State Code
34000	AA
090-098	AE
962-966	AP

3.12.14.9.8
(01-01-2024)

Field 02ZIP - ZIP Code (9 Positions)

(1) **Description** -Field 02ZIP is in the entity section of the return.

(2) Valid characters are numeric and blank.

(3) **Invalid Condition** -Field 02ZIP will generate as a field error when **any** of the following conditions are present:

- Any character is other than numeric or blank.
- An entry is other than five or nine positions.
- The entry is not within the range of 00401 and 99999.
- The first five positions are blank, and an entry is present in the last four positions.
- The entry does not match the Major City Code or State Code.

(4) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
Field 02ZIP is transcribed incorrectly.	Enter the correct ZIP Code from the return. Only the first five digits are required.
A valid ZIP Code is not available from the return or an attachment.	Determine the first three digits of a valid ZIP Code for the Major City from see Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries and enter "01" for the fourth and fifth digits.

If...	Then...
The Major City is not listed in Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries or the first three digits cannot be determined.	Enter the ZIP Code of the State shown in the address from Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries

2. If Form 8822, Change of Address or Form 8822-B, Change of Address or Responsible Party is attached to the return, compare the Name Control, EIN, Address, City, State and ZIP Code information on Form 8822 to the information on Form 1041.

Note: A business may have two addresses. One is the mailing address and the other is the location address or physical location of the business.

If	And	Then
The information is the same,	All the following applies: <ul style="list-style-type: none"> • Mailing address information is the same, • No location address is listed on Form 8822/8822-B, Line 7, • No entry on Form 8822-B, Lines 8 or 9, 	Take no action and continue processing.

If	And	Then
The information is different,	Any of the following applies: <ul style="list-style-type: none"> • Mailing address information is different, • Location address is listed on Form 8822/8822-B, Line 7, • An entry is listed on Form 8822-B, Lines 8 or 9, 	<ol style="list-style-type: none"> 1. Enter address shown on Form 8822/Form 8822-B in Field 02FAD. 2. Notate "Form 8822 or Form 8822-B detached" on tax return. 3. Detach Form 8822/Form 8822-B and route to Entity Control using Form 4227 Intra-SC Reject or Routing Slip, or follow local procedures (e.g., Form 13934, Merge Sheet) 4. Notate on Form 4227, "Change Of Address Per Form 8822 or Form 8822-B".

Note: The lead tax examiner is required to batch all Form 8822 or Form 8822-B daily and hand carry to Entity Control for expedite processing.

3.12.14.10
(01-01-2016)

Section 04 - Income and Deductions Fields

- (1) Section 04 contains the income and deductions fields from Form 1041 (Page 1), Form 1041-QFT, and Form 1041-N.
- (2) Corrections should be made on the return and the screen when errors are discovered.
- (3) When present, all tax amounts in Section 04 **must** be entered as **dollars-only**.

3.12.14.10.1
(01-01-2024)

Error Record Format - Section 04

- (1) Listed below are the fields contained in Section 04. Data in this section is obtained from Forms 1041, 1041-QFT, and 1041-N:

Field Designator	Maximum Length	Title	Location
0401	13 +	Interest Income	Form 1041, Line 1. Form 1041-QFT, Line 1a. Form 1041-N, Line 1a.
042A	13 +	Total Ordinary Dividends	Form 1041, Line 2a. Form 1041-QFT, Line 2a. Form 1041-N, Line 2a.
042B2	13 +	Qualified Dividends	Form 1041, Line 2b(2). Form 1041-QFT, Line 2b. Form 1041-N, Line 2b.
0403	13 + or -	Business Income or Loss	Form 1041, Line 3.
0404	13 + or -	Capital Gain or Loss	Form 1041, Line 4. Form 1041-QFT, Line 3. Form 1041-N, Line 3. Note: Line 4 cannot have a negative entry greater than \$3,000 on a non-final return.
0405	13 + or -	Rents/ Royalties/ Partnerships/ Estates/Trusts	Form 1041, Line 5.
0406	13 + or -	Farm Income or Loss	Form 1041, Line 6.
0407	13 + or -	Ordinary Gain/ Loss	Form 1041, Line 7.
04BLA	13+	Form 461 Business Losses	Form 1041, Line 8 left (write in)
0408	13 + or -	Other Income	Form 1041, Line 8. Form 1041-QFT, Line 4. Form 1041-N, Line 4.
0409	13 + or -	Total Income	Form 1041, Line 9. Form 1041-QFT, Line 5. Form 1041-N, Line 5.
0410	13 +	Interest Deduction	Form 1041, Line 10.
0411	13 +	Taxes	Form 1041, Line 11. Form 1041-QFT, Line 6. Form 1041-N, Line 6.

Field Designator	Maximum Length	Title	Location
0412	13 +	Fiduciary Fees	Form 1041, Line 12. Form 1041-QFT, Line 7. Form 1041-N, Line 7.
0413	13 +	Charitable Deduction	Form 1041, Line 13.
0414	13 +	Attorney/ Accountant Fees	Form 1041, Line 14. Form 1041-QFT, Line 8. Form 1041-N, Line 8.
0415A	13 +	Other Deductions	Form 1041, Line 15a. Form 1041-QFT, Line 9. Form 1041-N, Line 9 plus Line 11.
0415B	13+	Net Operating Loss Deduction	Form 1041, Line 15b not applicable to 1041-N, and 1041-QFT
04MID (TY2017 and prior)	13 +	Allowable Misc. Itemized Deduction (Subject to 2% Floor)	Form 1041, Line 15c. Form 1041-QFT, Line 10. Form 1041-N, Line 10.
04NEX	13 +	1041-N Exemption Amount	Form 1041-N, Line 11.
0416	13 +	Total Basic Deductions	Form 1041, Line 16. Form 1041-QFT, Line 10. Form 1041-N, Line 12.
0418	13 + or -	Income Distribution Deduction	Form 1041, Line 18. Caution: Negative amounts are only valid on Final returns.
0419	13 +	Estate Tax Deductions	Form 1041, Line 19.
0420	13+	Qualified Business Income Deduction	Form 1041. Line 20.
0421	13 +	Exemption Amount	Form 1041, Line 21.

Field Designator	Maximum Length	Title	Location
0422	13 + or -	Total Special Deductions	Form 1041, Line 22. not applicable to 1041-N, and 1041-QFT
0423	13 + or -	Taxable Income	Form 1041, Line 23. Form 1041-QFT, Line 11. Form 1041-N, Line 13.

Note: Any negative entry in a “positive only” field will cause a math error. See IRM 3.12.14.25.33, Error Code 842 - Total Income Tax, and IRM 3.12.14.25.34, Error Code 845 - Basic Deductions.

3.12.14.10.2
(01-01-2016)

**Invalid Condition -
Section 04**

- (1) Any field will be invalid if not all numeric.

3.12.14.10.3
(01-01-2020)

**Correction Procedures -
Section 04**

- (1) The correction procedures for the Field Designator in Section 04 follow.

3.12.14.10.3.1
(01-01-2020)

**Field 0401 - Interest
Income**

- (1) This entry is transcribed from Line 1, Form 1041, Form 1041-QFT or Form 1041-N.
(2) The entry is a positive only entry.
(3) Ensure the amount has been transcribed correctly.

3.12.14.10.3.2
(01-01-2020)

**Field 042A - Ordinary
Dividends**

- (1) This entry is transcribed from Line 2a, Form 1041, Form 1041-QFT or Form 1041-N.
(2) The entry is a positive only entry.
(3) Ensure the amount has been transcribed correctly.

3.12.14.10.3.3
(01-01-2020)

**Field 042B2 - Qualified
Dividends**

- (1) This entry is transcribed from Line 2b(2), Form 1041, Form 1041-QFT or Form 1041-N.
(2) The entry is a positive only entry.
(3) Ensure the amount has been transcribed correctly.

3.12.14.10.3.4
(01-01-2020)

**Field 0403 - Business
Income or Loss**

- (1) This entry is transcribed from Line 3, Form 1041.
(2) The Entry can be positive or negative.

		Form 1040 or Form 1040-SR, Schedule C. If not attached, correspond.	#
	(4)	Ensure the amount has been transcribed correctly.	
3.12.14.10.3.5 (01-01-2020) Field 0404 - Capital Gain or Loss	(1)	The entry for Field 0404 is transcribed from Line 4, Form 1041 (Line 3, Form 1041-QFT or Line 3, Form 1041-N).	
	(2)	Field 0404 will be in error if the taxpayer claims a loss greater than \$3,000.00 on Line 4 of Form 1041 (or Line 3 of Form 1041-QFT and 1041-N).	
		Form 1041, Schedule D. If not attached, correspond.	#
	a.	Correct this field by reducing the loss to \$3,000.00.	#
		math error notice will be sent to the taxpayer, prepare Letter 3833C, explain the adjustment, and specify the corrected loss carryover amount.	
		Exception: If a "Final" Form 1041, accept the taxpayer's figures. GTSEC 01 and enter CCC "F" in Field 01CCC.	
3.12.14.10.3.6 (01-01-2020) Field 0405 - Rents, Royalties, Partnerships, Estates & Trust Income	(1)	This entry is transcribed from Line 5, Form 1041.	
	(2)	The Entry can be positive or negative.	
		Form 1041 or Form 1040-SR, Schedule E. If not attached, correspond.	#
	(4)	Ensure the amount has been transcribed correctly.	
3.12.14.10.3.7 (01-01-2020) Field 0406 - Farm Income or Loss	(1)	This entry is transcribed from Line 6, Form 1041.	
	(2)	The Entry can be positive or negative.	
		Form 1040 or Form 1040-SR, Schedule F. If not attached, correspond.	#
	(4)	Ensure the amount has been transcribed correctly.	
3.12.14.10.3.8 (01-01-2020) Field 0407 - Ordinary Gains or Losses	(1)	This entry is transcribed from Line 7, Form 1041.	
	(2)	The Entry can be positive or negative.	
	(3)	Ensure the amount has been transcribed correctly.	
3.12.14.10.3.9 (01-07-2022) Field 04BLA - Form 461 Business Losses Amount	(1)	The entry for Field 04BLA is located on the dotted line in the space to the left of line 8, Form 1041	
	(2)	This amount is positive and dollars only.	
	(3)	If the tax period is prior to 202112, take the following action when "ELA" and an amount are present in the space to the left of line 8 (Field 04BLA):	

- Decrease the line 8 amount by the “ELA” amount and enter the result into Field 0408.
- Delete the entry in Field 04BLA.
- If Error Code 842 and/or any subsequent math error code generates as a result, assign TPNC 90 with the following literal:

The Section 461(I) excess business loss adjustment (ELA) entered in the space to the left of line 8, Form 1041, has been disallowed. We have decreased the entry on line 8, Form 1041, by the amount entered as “ELA”. This disallowance is due to the CARES Act legislation, which amended IRC 461(I) to eliminate the limitation for tax years 2018, 2019, and 2020.

3.12.14.10.3.10
(06-18-2020)

Field 0408 - Other Income

- (1) The entry for Field 0408 is transcribed from Line 8, Form 1041 (Line 4, Form 1041-QFT or Line 4, Form 1041-N).
- (2) This entry can be positive or negative. Ensure the entry has been entered correctly.
- (3) If “ELA” and an amount is present left of line 8 (Field 04BLA), see IRM 3.12.14.10.3.9, Field 04BLA - Form 461 Business Losses Amount.
- (4) If an amount entered is from Form 982, delete the entry and adjust any subsequent lines, as necessary.
- (5) If an amount entered is from Form 4972, delete the entry and adjust any subsequent lines, as necessary.

3.12.14.10.3.11
(01-01-2020)

Field 0409 - Total Income

- (1) This entry is transcribed from Line 10, Form 1041 (Line 5, Form 1041-QFT & Form 1041-N).
- (2) The Entry can be positive or negative.
- (3) Ensure the amount has been transcribed correctly.

3.12.14.10.3.12
(01-01-2023)

Field 0410 - Interest Deduction

- (1) This entry is transcribed from Line 10, Form 1041.
- (2) If the Form 4952 box is checked on Line 10, correspond for Form 4952 if not attached.
- (3) Ensure the amount has been transcribed correctly.

Note: For Tax Year 2022, the Qualified Mortgage Insurance Premium deduction is not allowed. If there is an indication that line 10, Form 1041, has an amount for Qualified Mortgage Insurance Premium deduction, delete the amount from Field 0410.

3.12.14.10.3.13
(01-01-2020)

Field 0411 - Taxes Deducted

- (1) This entry is transcribed from Line 11, Form 1041 (Line 6, Form 1041-QFT & Form 1041-N).
- (2) Ensure the amount has been transcribed correctly.

3.12.14.10.3.14 (01-01-2020) Field 0412 - Fiduciary Fees	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 12, Form 1041 (Line 7, Form 1041-QFT & Form 1041-N). (2) Ensure the amount has been transcribed correctly.
3.12.14.10.3.15 (01-01-2020) Field 0413 - Charitable Deductions	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 13, Form 1041. (2) Ensure the amounts have been transcribed correctly.
3.12.14.10.3.16 (01-01-2020) Field 0414 - Attorney, Accountant, and Preparer Fees	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 14, Form 1041 (Line 8, Form 1041-QFT & Form 1041-N). (2) Ensure the amounts have been transcribed correctly.
3.12.14.10.3.17 (01-01-2020) Field 0415A - Other Deductions	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 15a, Form 1041 (Line 9, Form 1041-QFT or Line 9, Form 1041-N). (2) This entry needs to be supported by taxpayer's statement listing type and amount of all allowable deductions that are not deductible elsewhere on the return. If the statement is missing correspond.
3.12.14.10.3.18 (01-01-2020) Field 0415B - Net Operating Loss Deductions	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 15b, Form 1041. (2) This line is used to claim a NOL (net operating loss) and needs to be supported by a statement, or Form 1045, Schedule A and/or Schedule B. (3) If the statement or Form 1045, Schedule A and/or Schedule B is missing correspond.
3.12.14.10.3.19 (01-01-2020) Field 04MID - Allowable Miscellaneous Itemized Deductions	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 15c, Form 1041 (Line 10, Form 1041-QFT). (2) The entry includes expenses for the production or collection of income, such as the cost of safe deposit boxes, and investment advisory fees that exceed the 2% floor. (3) This entry is valid for Tax Period 2017 and prior. Delete the entry if the tax period is invalid.
3.12.14.10.3.20 (01-01-2024) Field 04NEX - Exemption (1041-N only)	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 11 of Form 1041-N only. (2) This field is used for Form 1041-N only and is not part of Error Code 848 programming, which checks the line 21 exemption amount on Form 1041. (3) Correct all misplaced entries, coding errors, and transcription errors.
3.12.14.10.3.21 (01-01-2020) Field 0416 - Total Basic Deductions	<ul style="list-style-type: none"> (1) This entry is transcribed from Line 16, Form 1041(Line 10, Form 1041-QFT or Line 12, Form 1041-N).

- (2) The entry is the total combined amounts for Lines 10 - 17, Form 1041 (Lines 6 - 9, Form 1041-QFT or Lines 6-11, Form 1041-N).
- (3) Ensure the amounts have been transcribed correctly.
- 3.12.14.10.3.22
(01-01-2020)
Field 0418 - Income Distribution Deduction
- (1) This entry is transcribed from Line 18 and entered by taxpayer from Schedule B, Line 15.
- (2) The entry must be **positive only** unless it is the final return of the trust or estate. Taxpayers sometimes use brackets to show an amount as a deduction.
- Note:** Taxpayer intent should be used to determine whether the entry is negative or positive.
- 3.12.14.10.3.23
(01-01-2020)
Field 0419 - Estate Tax Deductions
- (1) This entry is positive only and transcribed from Line 19, Form 1041.
- (2) Ensure the entry has been entered as a positive amount.
- 3.12.14.10.3.24
(01-01-2020)
Field 0420 - Qualified Business Income Deduction (QBID)
- (1) This entry is positive and transcribed from Line 20, Form 1041.
- (2) Valid for Tax Period 201912 and later. If Tax Period is invalid, and an entry is present on Line 20, Form 1041, delete the entry.
- (3) If an amount is present on line 20, Form 8995 or Form 8995-A must be attached. If missing do not correspond the deduction will be computed to zero and a TPNC 61 will be assigned when EC 846 generates.
- 3.12.14.10.3.25
(01-01-2020)
Field 0220V - Qualified Business Income Deduction Verified (QBID)
- (1) This entry is positive and is ERS input only field.
- (2) Valid for Tax Period 201912 and later. If Tax Period is invalid, do not enter an amount in Field 0420V.
- (3) ERS will use this field to manually verify the amount in Field 0420 and the computer underprint when instructed by this IRM to do so.
- 3.12.14.10.3.26
(01-01-2020)
Field 0421 - Exemption
- (1) This entry is positive and transcribed from Line 21, Form 1041 (Line 11, Form 1041-N).
- (2) Ensure the amount is entered in Field 0421.
- 3.12.14.10.3.27
(01-01-2020)
Field 0422 - Total Deduction Amount
- (1) This entry is positive or negative and transcribed from Line 22, Form 1041.
- (2) The entry is the total of Lines 18 - 21.
- (3) Ensure the amount is entered in Field 0422.
- 3.12.14.10.3.28
(01-01-2020)
Field 0423 - Taxable income
- (1) This entry is positive or negative and transcribed from Line 23, Form 1041 (Line 11, Form 1041-QFT or Line 13, Form 1041-N).
- (2) Line 23, Form 1041 can be used to claim a NOL, and does not include the amounts on Lines 13, 18 and 21.
- (3) Ensure the amount is entered in Field 0423.

3.12.14.11
(01-01-2016)
**Section 05 - Tax
Computation Data**

- (1) Section 05 contains tax computation data (Tax, Payments, and Schedule G).
- (2) When present, all tax amounts in Section 05 **must** be entered as **dollars-only**, **except** for the fields indicated in the table, which **must** be entered as dollars and cents (\$ and ¢).

3.12.14.11.1
(01-01-2024)
**Error Record Format -
Section 05**

- (1) Listed below are the fields contained in Section 05. Data in this section is obtained from Forms 1041, 1041-QFT, 1041-N:

Field Designator	Maximum Length	Form Line Description	Location
05G1A	13 + (\$ only)	Gross Tax	Line 1a, Schedule G, Form 1041
05G1B	13 + (\$ only)	Tax on Lump - Sum Distributions	Line 1b, Schedule G, Form 1041
05G1C	13 + (\$ only)	Alternative Minimum Tax	Line 1c, Schedule G, Form 1041
05G1D	13 + (\$ only)	Schedule G Total Tax	Line 1d, Schedule G, Form 1041
05GVT	13 + (\$ only)	Schedule G Total Tax Verified	ERS Input Only - Verified amount for line 1d, Schedule G, Form 1401
05G2A	13 + (\$ only)	Foreign Tax Credit (Form 4972)	Line 2a, Schedule G, Form 1041
05G2B	13 + (\$ only)	General Business Credit (Form 3800)	Line 2b, Schedule G, Form 1041
052BV	13+ (\$ only)	General Business Credit Verified	ERS Input Only
05G2C	13 + (\$ only)	Credit for Prior Year Minimum Tax	Line 2c, Schedule G, Form 1041
05G2D	13 + (\$ only)	Bond Credits (Form 8912)	Line 2d, Schedule G, Form 1041
05G2N	13 + (\$ only)	Other Non-business Credits	ERS Input Only
05G04	15 + (\$ only)	Small Business Trust Tax	Line 4, Schedule G, Form 1041
05G05	13 + (\$ only)	Net Investment Income Tax	Line 5, Schedule G, Form 1041 Line 15, Form 1041-QFT Does not apply to 1041-N
05GIC	15 + (\$ only)	Recapture tax from Form 4255	Line 6a, Schedule G, Form 1041 (Revision 2023. Valid for tax period 202301 and subsequent)
05GLH	15 + (\$ only)	Recapture tax from Form 8611	Line 6b, Schedule G, Form 1041 (Revision 2023. Valid for tax period 202301 and subsequent)

Field Designator	Maximum Length	Form Line Description	Location
05G06	13 + (\$ only)	Other Recapture Taxes	Line 6c, Schedule G, Form 1041 (Revision 2023 and subsequent) (Line 6, 2022 and prior)
05G07	13 + (\$ only)	Household Employment Taxes	Line 7, Schedule G, Form 1041
05G08	15 +/- (\$ only)	Other Taxes	Line 8, Schedule G, Form 1041
05QTX	13 + (\$ and ¢)	QFT Tax	Line 12, Form 1041-QFT Line 14, Form 1041-N
05QC	13 + (\$ and ¢)	QFT Credits	Line 13, Form 1041-QFT Line 15, Form 1041-N
0524	13 + (\$ and ¢)	Total Tax	Line 24, Form 1041 Line 16, Form 1041-QFT Line 18, Form 1041-N
05MCT	13 + (\$ only)	Manually Corrected Tax	ERS Input Only dotted portion of: Line 24, Form 1041 Line 16, Form 1041-QFT Line 18, Form 1041-N
0525	13 + (\$ and ¢)	Net 965 Tax Liability Paid Form 965-A	Line 25, Form 1041 Line 19, Form 1041-N
05G10	13 + \$ and ¢	Estimated Tax Payments	Line 10, Schedule G, Form 1041
05G11	13 + (\$ and ¢)	Credit to Beneficiaries	Line 11, Schedule G, Form 1041
05G13	13 + (\$ and ¢)	Tax Paid With Extension	Line 13, Schedule G, Form 1041
05G14	13 + (\$ and ¢)	Federal Income Tax Withheld	Line 14, Schedule G, Form 1041
05G15	13 + (\$ and ¢)	Net 965 Tax Liability Form 965-A (Installment Election)	Line 15, Schedule G, Form 1041

Field Designator	Maximum Length	Form Line Description	Location
0516A	13 + (\$ and ¢)	Payments from Form 2439	Line 16, Schedule G, Form 1041 (2023 and subsequent). Line 16a, Schedule G, Form 1041 (2022 and prior)
05EPE	15 + (\$ only)	Elective payment election amount from Form 3800	Line 18a, Schedule G, Form 1041 (Revision 2023. Valid for tax period 202301 and subsequent)
05EPV	15 + (\$ only)	ERS input only - verified field for 05EPE.	Verified field for Line 18a, Schedule G, Form 1041 (Valid for tax period 202301 and subsequent)
05OCP	15 + (\$ only)	Other credits or payments	Line 18b, Schedule G, Form 1041 (Revision 2023. Valid for tax period 202301 and subsequent)
05G17	15 + (\$ only)	Credit for Qualified Sick and Family Leave wages for leave taken before April 1, 2021.	Line 17, Schedule G, Form 1041 (2020 through 2022)
0518A	15 + (\$ only)	Credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021	Line 18, Schedule G, Form 1041 (2021 and 2022)
0518B	15 + (\$ only)	Deferred Social Security Tax Schedule H	Line 18, Schedule G, Form 1041 (2020 only)
05DAC	1 (Value of 0, 1, 2 or 3)	Digital Assets Checkbox	Line 13, page 3, Form 1041 (Revision 2023. Valid for tax period 202301 and subsequent)
0526	13 + (\$ and ¢)	Total Payments	Line 26, Form 1041 Line 17, Form 1041-QFT Line 20, Form 1041-N

Field Designator	Maximum Length	Form Line Description	Location
05TCV	15 + (\$ and ¢)	ERS input only - verified field for 0526.	Verified field for Line 26, Form 1041. (Valid for tax period 202301 and subse- quent)
0527	13 + (\$ and ¢)	Estimated Tax Penalty	Line 27, Form 1041
05B/D	13 + or - (\$ and ¢)	Tax Due/ Overpayment	Line 28/29, Form 1041 Line 18/19, Form 1041-QFT Line 21/22, Form 1041-N
0530A	13 + (\$ and ¢)	Credit Elect	Line 30a, Form 1041, Line 20a, Form 1041- QFT, Line 23a, Form 1041-N,
0530B	13 + (\$ and ¢)	Refund	Line 30b, Form 1041, Line 20b, Form 1041- QFT, Line 23b, Form 1041-N,

Caution: Any negative entry in a “positive only” field will cause a math error.

3.12.14.11.2
(01-01-2016)
**Invalid Condition -
Section 05**

- (1) Any field in Section 05 will be invalid if **not** all numeric.

3.12.14.11.3
(01-01-2016)
Field 05G1A - Gross Tax

- (1) **Description:** Field 05G1A is transcribed from Line 1a of Schedule G (Form 1041).
- The taxpayer **must** enter the Tax from either the Tax Rate Schedule or Schedule D (Line 43, Part V to Line 1a of Schedule G (Form 1041).

3.12.14.11.4
(01-01-2016)
**Field 05G1B - Tax on
Lump-Sum Distributions
(Form 4972)**

- (1) **Description:** Field 05G1B is transcribed from Line 1b of Schedule G (Form 1041).

3.12.14.11.5
(01-01-2016)
Field 05G1C - Alternative Minimum Tax (Schedule I)

- (1) **Description:** Field 05G1C is transcribed from Line 1c of Schedule G (Form 1041).
- The Alternative Minimum Tax (AMT) - Schedule I is an additional tax on tax preference items.
 - The AMT is computed on Schedule I (Form 1041).

3.12.14.11.6
(01-07-2022)
Field 05G1D - Total Tax (Schedule G)

- (1) **Description:** Field 05G1D is transcribed from Line 1d of Schedule G (Form 1041).
- Field 05G1D is the total of Lines 1a, 1b, and 1c of Schedule G.

3.12.14.11.7
(01-01-2020)
Field 05GVT - Gross Verified Tax (Schedule G)

- (1) This field is for **ERS Input Only**.
- Field 05GVT overrides the computer's calculation of tax for Line 1d of Schedule G (Form 1041).
- (2) This field is used when the taxpayer has used a special computation and the computer **cannot** arrive at the correct Gross Tax.

3.12.14.11.8
(01-01-2016)
Field 05G2A - Foreign Tax Credit (Form 1116)

- (1) **Description:** Field 05G2A is transcribed from Line 2a of Schedule G (Form 1041).
- This field **must** always be positive.
- (2) **Correction Procedures:**
- Determine the amount of the entry in Field 05G2A:

If...	Then...
and no Form 1116 or other supporting statement is attached	Correspond.

#

- Do **not** delete the amount present in Field 05G2A.

3.12.14.11.9
(01-01-2024)
Field 05G2B - General Business Credits (Form 3800)

- (1) **Description:** Field 05G2B is transcribed from Line 2b of Schedule G (Form 1041).
- This field **must** always be positive.
 - This field is supported by the General Business Credits listed on Form 3800.

(2) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
- supported by Form 3800.

#

If...	Then...
Form 3800 is required but is not present,	Correspond. Note: Do not correspond if there is indication that Code & Edit has already done so.
A required credit form is not attached	Correspond.

3.12.14.11.10
(01-01-2020)

Field 052BV - General Business Credit Verified (ERS Input Only)

- (1) This entry is used to verify Line 2b, Schedule G.
- (2) If the computer-generated amount should be zero, enter \$1 in Field 052BV, that will generate zeros as the General Business Credits generated amount. If the computer-generated amount is incorrect, for EC 840 and EC 868 and the Form 8941 credit is disallowed, input the correct credit amount in the field.

3.12.14.11.11
(01-01-2016)

Field 05G2C - Credit for Prior Year Minimum Tax (Form 8801)

- (1) **Description:** Field 05G2C is transcribed from Line 2c of Schedule G (Form 1041).
 - This field **must** always be positive.
 - This field is the total from Form 8801 (Prior Year Minimum Tax Credit).
- (2) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors. supported by Form 8801. If Form 8801 is **not** present, correspond.

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3.12.14.11.12
(01-01-2016)

Field 05G2D - Bond Credit (Form 8912)

- (1) **Description:** Field 05G2D is transcribed from Line 2d of Schedule G (Form 1041).
 - This field **must** always be positive.
 - This field is the total from Form 8912 (Credit to Holders of Tax Credit Bonds).
- (2) **Correction Procedures:**
 1. Correct all misplaced entries, coding errors, and transcription errors. supported by Form 8912. If Form 8912 is **not** present, correspond.

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3.12.14.11.13
(01-01-2020)

Field 05G2N - Other Non-Business Credit (ERS Input Only)

- (1) This entry is used to enter Non-Business Credits that are not applicable to Lines 2a - 2d, Schedule G.
- (2) If a Non-Business Credit is claimed on a line not applicable to the credit, then move the credit into Field 05G2N.

3.12.14.11.14
(01-01-2020)

**Field 05G04 - Small
Business Trust Tax
(EBST)**

- (1) **Description:** Field 05G04 is transcribed from Line 4 of Schedule G (Form 1041).

Note: The amount from line 4, Schedule G is entered by taxpayer from 17 of the Tax Worksheet. Taxpayers are not required to file the Tax Worksheet as part of the return.

- (2) This entry is only valid for Tax Period 201912 and later. If the Tax Period is invalid delete the entry.

3.12.14.11.15
(01-01-2020)

**Field 05G05 - Net
Investment Income Tax**

- (1) **Description:** Field 05G05 is transcribed from Line 5 of Schedule G, Form 1041 and Line 15 of Form 1041-QFT. Form 1041-N is not liable for this tax.

- This field **must** always be positive.
- This field is the total from Form 8960, Line 21.

Note: X out any Line 4 amounts on 201311 and prior year returns and delete amounts in Field 05G05 and Section 28.

- (2) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
2. If any amount is present in Field 05G05, it must be supported by Form 8960. If Form 8960 is **not** present, correspond with the taxpayer.

3.12.14.11.16
(01-01-2024)

**Field 05GIC - Recapture
Taxes (Form 4255)**

- (1) Field 05GIC is transcribed from line 6a, Schedule G, Form 1041 (Revision 2023 and subsequent), and is valid for tax period 202301 and subsequent.

- (2) Correct all misplaced entries, coding errors, and transcription errors.

If	And	Then
Field 05GIC generates a field error because Field 01TXP earlier than 202301,	The tax period in 01TXP is correct,	Delete Field 05GIC.
Field 05GIC generates a field error because it contains invalid characters (i.e., non-numeric),	Transcription is correct,	Delete Field 05GIC.

3.12.14.11.17
(01-01-2024)

**Field 05GLH - Recapture
Taxes (Form 8611)**

- (1) Field 05GLH is transcribed from line 6b, Schedule G, Form 1041 (Revision 2023 and subsequent), and is valid for tax period 202301 and subsequent.

- (2) Correct all misplaced entries, coding errors, and transcription errors.

If	And	Then
Field 05GLH generates a field error because Field 01TXP earlier than 202301,	The tax period in 01TXP is correct,	Delete Field 05GIC.

If	And	Then
Field 05GLH generates a field error because it contains invalid characters (i.e., non-numeric),	Transcription is correct,	Delete Field 05GIC.

3.12.14.11.18
(01-01-2024)

Field 05G06 - Other Recapture Taxes

- (1) **Description:** Field 05G06 is transcribed from Line 6c of Schedule G, Form 1041 (2023 revision; Line 6 of 2022 and earlier revisions).
- (2) Correct all misplaced entries, coding errors, and transcription errors.

If	And	Then
Field 05G06 generates a field error because it contains invalid characters (i.e., non-numeric),	Transcription is correct,	Delete Field 05G06.

3.12.14.11.19
(01-01-2020)

Field 05G07 - Household Employment Taxes (Schedule H)

- (1) **Description:** Field 05G07 is transcribed from Line 7 of Schedule G (Form 1041).
 - Household Employment Taxes (Schedule H, Form 1040) can be claimed on Form 1041.
- (2) Schedule H **must** be attached to Form 1041 if an entry is present on Line 7 of Schedule G.
 - If an entry is present on Line 7 of Schedule G **but** a Schedule H is **not** present, correspond for the missing Schedule H.
- (3) For instructions for processing Schedule H, see IRM 3.12.14.13, Section 07 - Schedule H (Form 1040).
- (4) To review the valid fields for Schedule H (Form 1040), see Exhibit 3.12.14-7, Schedule H, Form 1040 (Household Employment Taxes - Field Designators).

3.12.14.11.20
(01-01-2023)

Field 05G08 - Other Taxes

- (1) **Description:** Field 05G08 is transcribed from Line 8 of Schedule G (Form 1041).
- (2) This entry is only valid for Tax Period 201912 and later. If the Tax Period is earlier than 201912, delete the entry in Field 05G08.
- (3) This field is positive only. If a field error generates because 05G08 is negative, check the entry on line 8, Schedule G and do the following...

If	Then
The negative sign is a transcription error,	Delete the negative sign from Field 05G08.
The taxpayer, despite showing a negative entry, is adding the amount on line 8 to Total Tax,	Delete the negative sign from Field 05G08.
The taxpayer is subtracting the line 8 amount from Total Tax,	Delete the entry in Field 05G08.

3.12.14.11.21
(01-01-2020)
**Field 05QTX - QFT Tax
(Form 1041-QFT and
Form 1041-N)**

- (1) **Description:** Field 05QTX is transcribed (in **dollars and cents**) from Line 12 of Form 1041-QFT or Line 14 of Form 1041-N.

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3.12.14.11.22
(01-01-2020)
**Field 05QC - QFT
Credits (Form 1041-QFT
and Form 1041-N)**

- (1) **Description:** Field 05QC is transcribed (in **dollars and cents**) from Line 13 of Form 1041-QFT or Line 15 of Form 1041-N.

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3.12.14.11.23
(01-01-2020)
Field 0524 - Total Tax

- (1) **Description:** Field 0524 is transcribed (in **dollars and cents**) from Line 24 of Form 1041, Line 16 of Form 1041-QFT, or Line 18 of Form 1041-N.
- This field is carried forward from line 9, Schedule G.

3.12.14.11.24
(01-01-2020)
**Field 05MCT - Manually
Corrected Tax**

- (1) This field is for **ERS Input Only**.
- Field 05MCT overrides the computer's calculation for Total Tax on Line 9 of Schedule G (Form 1041), which is carried forward to Line 24 of Form 1041.
- (2) This field is used when the taxpayer has used a special computation and the computer cannot arrive at the correct amount for Total Tax Computer. See IRM 3.12.14.26, Manual Computation Instructions.
- (3) After an amount has been entered in Field 05MCT, the computer will **not** be able to correctly calculate the Statutory Credits. Ignore any erroneous underprints after Field 05MCT has been entered.

3.12.14.11.25
(04-28-2022)
**Field 0525 - Net 965 Tax
Liability Paid Form
965-A**

- (1) **Description:** Field 0525 is transcribed in **dollars and cents** from Line 25, Form 1041, Revision 2019 and subsequent. (Line 19, Form 1041-N).
- Note:** In 2018, the Net 965 Tax Liability Paid was reported on was reported on Line 24.
- (2) The amount for Net 965 Tax Liability Paid should be brought forward from Form 965-A, Part II, column (k):
- (3) **Correction Procedures:**

- See IRM 3.12.14.6.12, Section 965 Returns - General Information
- See IRM 3.12.14.6.12.1, Section 965 Returns - Tax Period 202012 - 202111.
- See IRM 3.12.14.6.12.2, Section 965 Returns - Tax Period 201912 - 202011.
- See IRM 3.12.14.6.12.3, Section 965 Returns - Tax Period 201812 - 201911.
- See IRM 3.12.14.6.12.4, Section 965 Returns - Tax Period 201712 - 201811.
- See IRM 3.12.14.6.12.5, Section 965 Returns Suspense Correction

3.12.14.11.26
(01-01-2020)

Field 05G10 - Estimated Tax Payment

- (1) **Description:** Field 05G10 is transcribed (in **dollars and cents**) from Line 10, Schedule G (Form 1041).

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3.12.14.11.27
(01-01-2020)

Field 05G11 - Beneficiary Allocation

- (1) **Description:** Field 05G11 is transcribed (in **dollars and cents**) from Line 11, Schedule G (Form 1041).

- This field displays the amount of Estimated Tax Overpayment to be allocated among the beneficiaries, under IRC 643(g). The trust or estate files Form 1041-T and the money is moved from 1041 module to the beneficiaries' modules on IDRS.
- The amount allocated **must not** exceed the amount in Field 05G11.

Caution: This allocation can only be made by trusts, "Final" trusts, and "Final" estates.

3.12.14.11.28
(01-01-2020)

Field 05G13 - Tax Paid with Extension

- (1) **Description:** Field 05G13 is transcribed (in **dollars and cents**) from Line 13, Schedule G (Form 1041).

- This field is based on amounts paid with Form 7004, Application for Automatic Extension of Time to File Certain Business Income Tax, Information and Other Returns.

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3.12.14.11.29
(01-01-2020)

Field 05G14 - Federal Income Tax Withheld

- (1) **Description:** Field 05G14 is transcribed (in **dollars and cents**) from Line 14, Schedule G (Form 1041).

- (2) **Correction Procedures:** The total for Line 14, Schedule G (Form 1041) should include **both** of the following:

- Backup withholding on dividends.
- Withholding on Interest income or other types of income received.

#

signed Competent Authority letter), 8288, 8805, W-2, W-2G, and/or 1099. This includes any backup withholding claimed.

3.12.14.11.30
(04-28-2022)

Field 05G15 - Net 965 Tax Liability Form 965-A

- (1) **Description:** Field 05G15 is transcribed in **dollars and cents** from Line 15, Schedule G (Form 1041), 2019 and subsequent.

Note: In 2018, the Net 965 Net Tax Liability was reported on Line 25F.

- (2) The amount for Net 965 Net Tax Liability should be brought forward from Form 965-A, Part I, column (f):

(3) **Correction Procedures:**

- See IRM 3.12.14.6.12, Section 965 Returns - General Information
- See IRM 3.12.14.6.12.1, Section 965 Returns - Tax Period 202012 - 202111.
- See IRM 3.12.14.6.12.2, Section 965 Returns - Tax Period 201912 - 202011.
- See IRM 3.12.14.6.12.3, Section 965 Returns - Tax Period 201812 - 201911.
- See IRM 3.12.14.6.12.4, Section 965 Returns - Tax Period 201712 - 201811.
- See IRM 3.12.14.6.12.5, Section 965 Returns Suspense Correction.

3.12.14.11.31
(01-01-2024)
**Field 0516A - Payments
from Form 2439**

- (1) **Description:** Field 0516A is transcribed (in **dollars and cents**) from Line 16, Schedule G, Form 1041 (Line 16a, revision 2022 and prior).
- This field is based on Copy B of Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains.

3.12.14.11.32
(01-01-2024)
**Field 05EPE - Elective
Payment Election
Amount from Form 3800**

- (1) Field 05EPE is transcribed from line 18a, Schedule G, Form 1041.
- (2) This field is valid for tax period 202301 and later.
- (3) This field should contain the amount the taxpayer summed from their entries in column (i), Part III, Form 3800.

3.12.14.11.33
(01-01-2024)
**Field 05EPV - Elective
Payment Election
Amount Verified (ERS
input only)**

- (1) This field is only to be used when the computer cannot correctly compute Field 05EPE>, computer amount for Elective Payment Election.
- (2) This field is valid for tax period 202301 and later.

3.12.14.11.34
(01-01-2024)
**Field 05OCP - Other
Credits or Payments**

- (1) Field 05OCP is transcribed from line 18b, Schedule G, Form 1041.

3.12.14.11.35
(01-01-2024)
**Field 05G17 - Credit for
Qualified Sick and
Family Leave wages for
leave taken before April
1, 2021**

- (1) **Description:** Field 05G17 is transcribed (in **dollars only**) from Line 17, Schedule G (Form 1041, Rev. 2020 through 2022), and is valid for tax periods ending in 202012 through 202311 only.
- Note:** On the 2020 revision of Form 1041, the line description was "Refundable credit for qualified sick and family leave."
- (2) If there is an amount in Field 05G17, and the correct tax period ending year-month is not 202012 through 202311, delete the amount in Field 05G17.

- | | |
|---|---|
| <p>3.12.14.11.36
(01-01-2024)
Field 0518A - Credit for qualified sick and family leave wages for leave taken after March 31, 2021 and before October 1, 2021</p> | <p>(1) Description: Field 05G18A is transcribed (in dollars only) from Line 18, Schedule G (Form 1041), and is valid for tax periods ending in 202112 through 202311 only.</p> <p>(2) If there is an amount in Field 0518A, and the correct tax period ending year-month is not 202112 through 202311, delete the amount in Field 0518A.</p> |
| <p>3.12.14.11.37
(01-01-2024)
Field 0518B - Deferred Social Security Tax Schedule H</p> | <p>(1) Description: Field 05G18B is transcribed (in dollars only) from Line 18, Schedule G (Form 1041, Rev. 2020 only) and is valid for tax periods ending in 202012 through 202111 only.</p> <p>(2) If there is an amount in Field 0518B, and the correct tax period ending year-month is not 202012 through 202111, delete the amount in Field 0518B.</p> |
| <p>3.12.14.11.38
(01-01-2024)
Field 05DAC - Digital Asset Checkbox</p> | <p>(1) Field 05DAC is transcribed from line 13, page 3, Form 1041 (Revision 2023 and subsequent)</p> <p>(2) This field is valid for tax period 202301 and subsequent.</p> <p>(3) The valid characters are as follows:</p> <ul style="list-style-type: none"> • 0 - No boxes checked • 1 - "Yes" box checked • 2 - "No" box checked • 3 - Both boxes checked <p>(4) If there is an entry in Field 05DAC, and the correct tax period ending year-month is not 202301 or later, delete the entry in Field 05DAC.</p> |
| <p>3.12.14.11.39
(01-01-2019)
Field 0526 - Total Payments</p> | <p>(1) Description: Field 0526 is transcribed (in dollars and cents) from Line 26 (Form 1041), Line 17 (Form 1041-QFT), or Line 20 (Form 1041-N).</p> |
| <p>3.12.14.11.40
(01-01-2024)
Field 05TCV - Total Credits Verified (ERS input only)</p> | <p>(1) Field 05TCV should only be used when the computer cannot correctly compute the amount for Field 0526> (Total Payments Computer).</p> <p>(2) This field is valid for tax period 202301 and subsequent.</p> |
| <p>3.12.14.11.41
(01-01-2019)
Field 0527 - Estimated Tax Penalty</p> | <p>(1) Description: Field 0527 is transcribed (in dollars and cents) from Line 27 (Form 1041).</p> <p>(2) Correction Procedures: for Tax Period 198812 and subsequent:</p> <ol style="list-style-type: none"> 1. Correct all misplaced entries, coding errors, and transcription errors. 3. Do not include any other penalty and interest in Field 0527. |

#

3.12.14.11.42

(01-01-2019)

Field 05B/D - Tax Due/Overpayment

- (1) **Description:** Field 05B/D is transcribed (in **dollars and cents**) as follows:

Form	Line
Form 1041	Line 28 or 29
Form 1041-QFT	Line 18 or 19
Form 1041-N	Line 21 or 22

- This field may be a positive or negative amount.

3.12.14.11.43

(01-01-2019)

Field 0530A - Credit Elect

- (1) **Description:** Field 0530A is transcribed (in **dollars and cents**) from Line 30a, Form 1041, Line 20a, Form 1041-QFT, or Line 23a, Form 1041-N.

- This field displays the portion of Overpayment that the taxpayer would like to have applied to the next year's Estimated Taxes.

3.12.14.11.44

(01-01-2019)

Field 0530B - Refund

- (1) **Description:** Field 0530B is transcribed (in **dollars and cents**) from Line 30b, Form 1041, Line 20b, Form 1041-QFT, or Line 23b, Form 1041-N.

- This field displays the amount of Overpayment that the taxpayer would like to have refunded to them.

3.12.14.12

(01-01-2020)

Section 06 - Schedule I & Form 4952

- (1) The data in Section 06 are transcribed from Schedule I (Alternative Minimum Tax) and Form 4952 (Investment Interest Expense Deduction).

- Section 06 may or may not be present for all returns.
- If present, all tax amounts in Section 06 are entered as **dollars-only**.

3.12.14.12.1

(01-01-2020)

Error Record Format - Section 06

- (1) Listed below are the fields contained in Section 06:

Field Designator	Maximum Length	Title	Location
06I22	13 +	Alternative Tax Net Operating Loss Deduction (NOLD)	Line 22, Schedule I (Subtracted in Program)
06I23	13+/-	Adjusted Alternative Minimum Taxable Income	Line 23, Schedule I
06I24	13 +	Income Distribution Deduction on Minimum Tax	Line 24, Schedule I
06I51	13 +	Alternative Minimum Foreign Tax Credit	Line 51, Schedule I
06IAV	13 +	Alternative Minimum Tax Verified	Line 54, Schedule I, ERS Input Only
06D4E	13 +	Line 4e of Form 4952 (Net Gain from Disposition of Property)	Form 4952, Line 4e
06D4G	13 +	Line 4g of Form 4952 (Included in Investment Income)	Form 4952, Line 4g

(2) Valid characters are numeric and blank.

3.12.14.12.2
(01-01-2020)

Invalid Condition

(1) A field is in error if not all numeric.

3.12.14.12.3
(01-01-2020)

Correction Procedures

(1) Correct coding and transcription errors and misplaced entries on displayed.

(2) Additional correction procedures for Section 32 fields follow.

3.12.14.12.3.1
(01-01-2020)

Field 06I22 - Alternative Tax Net Operating Loss Deduction (NOLD)

(1) **Description** - The data is transcribed from Line 22, Schedule I (Form 1041).

#

3.12.14.12.3.2
(01-01-2020)

Field 06I23 - Adjusted Alternative Minimum Taxable Income

(1) **Description** - The data is transcribed from Line 23, Schedule I (Form 1041).

#

3.12.14.12.3.3 (01-01-2020) Field 06I24 - Income Distribution Deduction on Minimum Tax	<p>(1) Description - The data is transcribed from Line 24, Schedule I (Form 1041).</p> <p>(2) Correction Procedures - The taxpayer is instructed to enter the small of Line 40, Schedule I or Line 41 on line 24:</p> <ol style="list-style-type: none"> If Line 40 is smaller than Line 41, ensure the amount in Field 06I24 is from Line 40. If Line 41 is smaller than Line 40, ensure the amount in Field 06I24 is from Line 41. 	
3.12.14.12.3.4 (01-01-2020) Field 06I51 - Alternative Minimum Foreign Tax Credit	(1) Description - The data is transcribed from Line 51, Schedule I (Form 1041).	#
3.12.14.12.3.5 (01-01-2020) Field 06IAV - Alternative Minimum Tax Verified	<p>(1) Description - This field is for ERS input only . This field is used when the computer cannot calculate Schedule I (Form 1041) correctly when the taxpayer follows a computation allowed by an I.R.C. regulation.</p> <p>(2) Only use this field when instructed to do so.</p>	
3.12.14.12.3.6 (01-01-2020) Field 06D4E - Gain From Disposition of Property	(1) Description - The data is transcribed from Line 4e, Form 4952.	#
3.12.14.12.3.7 (01-01-2020) Field 06D4G - Included in Investment Income	(1) Description - The data is transcribed from Line 4g, Form 4952.	#
3.12.14.13 (01-01-2022) Section 07 - Schedule H (Form 1040), Household Employment Taxes	<p>(1) Data in this section is obtained from Schedule H (Form 1040): See Exhibit 3.12.14-6, Schedule H (Form 1040), Household Employment Taxes.</p> <p>(2) Schedule H (Form 1040), Household Employment Taxes, is used to report federal employment taxes on wages paid to household employees.</p>	
3.12.14.13.1 (01-01-2022) Error Record Format - Section 07	<p>(1) All money amount fields are positive.</p> <p>(2) Listed below are the fields contained in Section 07. All fields are taken from Schedule H (Form 1040).</p>	

Field Designator	Maximum Length	Line Description	Schedule H Location
0701A	13 +	Total cash wages subject to social security tax	Line 1a (Rev. 2020 and subsequent) Line 1 (Rev. 2019 and prior)
0701B	15+	- Qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, included on line 1a (Qualified sick and family wages for leave taken before April 1, 2021, included on line 1a - Revision 2021 only) (Qualified sick and family wages included on line 1a - Revision 2020 only)	Line 1b (2020 and subsequent)
0703	13 +	Total cash wages subject to Medicare tax	Line 3
0705	13+	Total cash wages subject to Additional Medicare Tax withholding	Line 5
0706	13+	Additional Medicare Tax withholding (multiply line 5 by (.009)	Line 6
0707	13 +	Federal income tax withheld, if any	Line 7
0708A	13 +	Total social security, Medicare, and federal income taxes	Line 8a (Rev. 2020 and subsequent) Line 8 (Rev. 2019 and prior)

Field Designator	Maximum Length	Line Description	Schedule H Location
0708B	15+	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 (Rev. 2021 and subsequent) Nonrefundable portion of credit for qualified sick and family leave wages from Worksheet 3 (Rev. 2020 only)	Line 8b (Rev. 2020 and subsequent)
0708C	15+	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021, and before October 1, 2021 (Rev. 2022 and subsequent) Nonrefundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021 (Rev. 2021 only)	Line 8c (Rev. 2021 and subsequent)
0708D	15+	Total social security, Medicare, and federal income taxes after nonrefundable credits.	Line 8d (Rev. 2021 and subsequent) Line 8c (Rev. 2020 only) Line 8 (Rev. 2019 and prior)
0708V	13+	Total social security, Medicare, and federal income taxes after nonrefundable credits verified. Note: ERS Input Only	Line 8d, right margin (Rev. 2021 and subsequent) Line 8c, right margin (Rev. 2020 only) Line 8, right margin (Rev. 2019 and prior) ERS Input Only.

Field Designator	Maximum Length	Line Description	Schedule H Location
07DEF	15+	Maximum amount of the employer share of social security tax that can be deferred	Line 8d (Rev. 2020 only)
0708E	15+	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 (Rev. 2021 and subsequent) Refundable portion of credit for qualified sick and family leave wages from Worksheet 3 (Rev. 2020 only)	Line 8e (Rev. 2020 and subsequent)
0708F	15+	Refundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021, and before October 1, 2021 (Rev. 2022 and subsequent) Refundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021 (Rev. 2021 only) Qualified sick leave wages (Rev. 2020 only)	Line 8f (Rev. 2021 and subsequent)
0797	13 +	Advance EIC - 2010 and prior returns	Line 7 ERS Input Only.
0798	13+	Net SS/ Medicare/WH taxes - 2010 and prior returns	Line 8 ERS Input Only

Field Designator	Maximum Length	Line Description	Schedule H Location
0798V	13+	Net SS/ Medicare/WH taxes - 2010 and prior returns	Line 8 ERS Input Only.
07FIN	1	FUTA Yes/No Indicator	Lines 10-12
07SC1	2	State Code 1	Lines 13 or Line 17(a) Row 1
07SC2	2	State Code 2	Line 17(a) Row 2
07SC3	2	State Code 3	Attachment ERS Input Only
07SC4	2	State Code 4	Attachment ERS Input Only
07SC5	2	State Code 5	Attachment ERS Input Only
07ASI	1	More Than 5 States Indicator	Attachment ERS Input Only
07FCP	13 +	Unemployment Contributions Paid	Line 14 / 18(h)
07TFW	13 +	Total FUTA Wages	Line 15 / 20
07FTX	13 +	FUTA Tax	Line 16 / 24
07FTV	13 +	FUTA Tax Verified	Line 16 / 24 ERS Input Only
07TTC	13 +	Tentative Credit	Line 19
07TCR	13 +	Total Credit Reduction Amount	Line 25 ERS Input Only
07CC1	2	Credit Reduction State 1	Line 17(a) Row 1
07CW1	13 +	Credit Reduction Wages 1	Line 17(b) Row 1 ERS Input Only
07CC2	2	Credit Reduction State 2	Line 17(a) Row 2
07CW2	13 +	Credit Reduction Wages 2	Line 17(b) Row 2 ERS Input Only
07CC3	2	Credit Reduction State 3	Line 17(a), Attach- ment ERS Input Only

Field Designator	Maximum Length	Line Description	Schedule H Location
07CW3	13 +	Credit Reduction Wages 3	Line 17(b), Attachment ERS Input Only
07CC4	2	Credit Reduction State 4	Line 17(a), Attachment ERS Input Only
07CW4	13 +	Credit Reduction Wages 4	Line 17(b), Attachment ERS Input Only
07CC5	2	Credit Reduction State 5	Line 17(a), Attachment ERS Input Only
07CW5	13 +	Credit Reduction Wages 5	Line 17(b), Attachment ERS Input Only

3.12.14.13.2
(01-01-2020)
Invalid Conditions

- (1) Money amount fields will be in error if not numeric.
- (2) State Code field entries will be in error if not Alpha characters.

3.12.14.13.3
(01-01-2020)
Correction Procedures

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Amounts reported on Line 7 of Schedule G **must** be supported by a Schedule H (Form 1040).
- (3) All tax amounts in Section 07 **must** be entered as **dollars-only**.
- (4) Schedule H issues can be difficult to correct. Resolution of fall out for Schedule H will be easier if you follow these steps first:
 - Verify the money amount on Line 26, Schedule H matches the entry on Line 7, Schedule G of the 1041 return.
 - Verify Schedule H against the screen display and correct any misplaced, transcription, coding, and/or omitted entries. If this fails to correct the error, then SSPND 410 to the lead.

Note: Page 2 of the Schedule H contains much of the same information as 940 returns.

- (5) Additional correction procedures for Section 07 fields follow.

3.12.14.13.3.1
(01-01-2024)

Field 0701A - Total Cash Wages Subject to Social Security Tax

- (1) Field 0701A is transcribed from Line 1a, **Total cash wages subject to social security tax**.
- (2) Estates and Trusts that employ household employees **must** report household employment wages on Form 1041 if the wages exceed the minimum amount required to be reported for the Tax Year.
 - Delete the entry in Field 0701 if it contains an entry for less than the minimum reportable amount.

Tax Period	Delete Field 0701 If ...
202312 through 202411	Less than \$2,600
202212 through 202311	Less than \$2,400
202112 through 202211	Less than \$2,300
202012 through 202111	Less than \$2,200
201812 through 202011	Less than \$2,100
201612 through 201811	Less than \$2,000
201412 through 201611	Less than \$1,900
201212 through 201411	Less than \$1,800
200912 through 201211	Less than \$1,700
200812 through 200911	Less than \$1,600
200612 through 200811	Less than \$1,500

- (3) For additional instructions, IRM 3.12.14.25.16, Error Code 162 - Section 07 Total Wages Differ or are Below Minimum Taxable Wages.

3.12.14.13.3.2
(01-01-2022)

Field 0701B - Qualified Sick & Family Leave Wages

- (1) On the 2021 and later revisions of Schedule H, this line is "Qualified sick and family wages for leave taken before April 1, 2021, included on line 1a"
- (2) On the 2020 revision of Schedule H, this line was "Qualified sick and family wages included on line 1a "
- (3) Field 0701B is transcribed from Line 1b.
- (4) Field is valid for Tax Period 202012 and subsequent.
- (5) If the Tax Period is not valid, delete the entry in Field 0701B.
- (6) If field 0701B is blank, enter the Line 1b amount into Field 0718B.

3.12.14.13.3.3
(11-15-2019)

Field 0703 - Total Medicare Wages

- (1) Field 0703 is transcribed from Line 3, "Total cash wages subject to Medicare tax".
 - Delete the entry in Field 0703 if it contains an entry for less than the minimum reportable amount. See minimum reportable amount chart under Field 0701 (above).

3.12.14.13.3.4
(01-01-2020)

Field 0705 - Total Cash Wages Subject to Additional Medicare Tax Withholding

- (1) Field 0705 is transcribed from Line 5, "Total cash wages subject to Additional Medicare Tax withholding".

Note: Line 5 on Schedule H is for 201312 and later.

3.12.14.13.3.5
(01-01-2020)

Field 0706 - Additional Medicare Tax Withholding

- (1) Field 0706 is transcribed from Line 6, "Additional Medicare Tax withholding (multiply line 5 by 0.9% (.009))".

Note: Line 6 on Schedule H is for 201312 and later.

3.12.14.13.3.6
(01-01-2021)

Field 0707 - Federal Income Tax Withheld

- (1) Field 0707 is transcribed from Line 7, "Federal income tax withheld, if any".

3.12.14.13.3.7
(01-01-2022)

Field 0708A - Total SS/Medicare/WH Taxes

- (1) On the 2020 and later revisions of Schedule H, Field 0708A is transcribed from Line 8a: "Total social security, Medicare, and federal income taxes. Add lines 2c, 4, 6, and 7."

- (2) On the 2019 and prior revisions of Schedule H, Field 0708A is transcribed from Line 8: "Total social security, Medicare, and federal income taxes. Add lines 2, 4, 6, and 7."

- If the Tax Period is before 202012 and Field 0708A is blank, compute by adding Lines 2, 4, 6, and 7.
- If the Tax Period is 202012 or greater, and Field 0708A is blank, compute by adding Lines 2c, 4, 6, and 7.
- For additional instructions, see IRM 3.12.14.25.50, Error Code 875 - Check Schedule H Total Social Security, Medicare, & Withheld Taxes (Field 0798).

3.12.14.13.3.8
(01-01-2022)

Field 0708B - Non-Refundable Credit Qualified Sick & Family Leave for Leave Taken Before April 1, 2021

- (1) Field 0708B is transcribed from Line 8b on the 2020 and later revisions of Schedule H.

- (2) Field is valid for Tax Period 202012 and subsequent.

- (3) On the 2021 and later revisions of Schedule H, the line that this field represents is "Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021."

- (4) On the 2020 revision of Schedule H, the line that this field represents is "Non-refundable portion of credit for qualified sick and family leave wages from Worksheet 3."

- (5) If the Tax Period is not valid, delete the entry in Field 0708B.

- 3.12.14.13.3.9
(01-01-2022)
Field 0708C - Non-Refundable Credit Qualified Sick & Family Leave for Leave Taken after March 31, 2021
- (1) Field 0708C is transcribed from Line 8c on the 2021 and later revisions of Schedule H, "Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021".
 - (2) This field is valid for Tax Period 202112 and subsequent.
 - (3) If the tax period is not valid, delete the entry in Field 0708C.
- 3.12.14.13.3.10
(01-01-2022)
Field 0708D - Total Social Security, Medicare, and Federal Income Taxes After Nonrefundable Credits.
- (1) Field 0708D is transcribed from Line 8d on the 2021 and later revisions of Schedule H, "Total social security, Medicare, and federal income taxes after nonrefundable credits."
 - (2) This field is valid for Tax Period 202112 and subsequent.
 - (3) If the tax period is not valid, delete the entry in Field 0708D.
- 3.12.14.13.3.11
(01-01-2022)
Field 0708V - Total Social Security, Medicare, and Federal Income Taxes After Nonrefundable Credits Verified.
- (1) This field is for **ERS Input Only** and is only used when the computer **cannot** correctly compute the following fields:
 - For tax period 202112 and later, Field 0708D (Line 8d, "Schedule H, total social security, Medicare, and federal income taxes after nonrefundable credit")
 - For tax period 202012 - 202111, Field 0708C (Line 8c, "Schedule H, total social security, Medicare, and federal income taxes after nonrefundable credit")
 - For tax period 202011 and prior, Field 0708A (Line 8, "Total social security, Medicare, and federal income taxes")
- Note:** For additional instructions, see IRM 3.12.14.25.50, Error Code 875 - Check Schedule H Total Social Security, Medicare, & Withheld Taxes (Field 0798).
- 3.12.14.13.3.12
(01-01-2022)
Field 07DEF - Maximum Social Security Tax Deferred
- (1) Field 07DEF is transcribed from Line 8d on the 2020 revision of Schedule H: "Maximum amount of the employer share of social security tax that can be deferred."
 - (2) This field is valid for Tax Period 202012 - 202111 only.
 - (3) If the Tax Period is not valid, delete the entry in Field 07DEF.
- 3.12.14.13.3.13
(01-01-2022)
Field 0708E - Refundable Credit for Qualified Sick and Family Leave Wages for Leave Taken Before April 1, 2021
- (1) Field 0708E is transcribed from Line 8e on the 2020 and later revisions of Schedule H.
 - (2) On the 2021 and later revisions of Schedule H, the line that this field represents is "Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021."
 - (3) On the 2020 revision of Schedule H, the line that this field represents is "Refundable portion of credit for qualified sick and family leave wages from Worksheet 3."
 - (4) Field is valid for Tax Period 202012 and subsequent.
 - (5) If the Tax Period is not valid, delete the entry in Field 0708E.

3.12.14.13.3.14
(01-01-2022)

Field 0708F - Refundable Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021

- (1) Field 0708F is transcribed from Line 8f on the 2021 and later revisions of Schedule H, "Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021".
- (2) This field is valid for Tax Period 202112 and subsequent.
- (3) If the Tax Period is not valid, delete the entry in Field 0708F.

3.12.14.13.3.15
(01-01-2016)

Field 0797- Advance EIC

- (1) **This field is for 2010 and prior returns**, Line 7, and is an **ERS Input Only** field.

Note: The provision expired on December 31, 2010.

- (2) If a field errors occur for both 01TXP and 0797, verify the tax period is correct. If the tax period is correct, delete Field 0797.

3.12.14.13.3.16
(01-01-2016)

Field 0798 - Net SS/Medicare/WH taxes - 2010 and prior returns

- (1) **This field is for 2010 and prior returns**, Line 8, and is an **ERS Input Only** field.

3.12.14.13.3.17
(01-01-2016)

Field 07FIN - Schedule H FUTA Yes/No Indicator

- (1) Field 07FIN is based on the information provided in the Yes/No boxes, on Lines 10, 11, and 12 of Part II and is located under Line 12. This is used by the computer to determine whether Section A or Section B should be filled in.
 - Valid characters are "1" and blank.
- (2) Determine Field 07FIN using the following guidelines:

If...	Then...
Lines 10, 11, and 12 are all answered "Yes"	Leave Field 07FIN blank.
Any of Questions 10, 11, or, 12 are answered "No"	Enter "1" in Field 07FIN.

Note: If the taxpayer lists any credit reduction state, enter 1 in 07FIN.

- (3) If the conditions in (2), above, are **not** met, determine from the information provided in Sections A and B in Part II.

If...	Then...
Entries are present in Section A only	Leave Field 07FIN blank.
Entries are present in Section B only	Enter "1" in Field 07FIN.
Entries are present in both Section A and Section B	Delete the entries in Section A and enter a "1" in Field 07FIN.
No entries are present in either Section A or Section B	Leave Field 07FIN blank.

3.12.14.13.3.18
(01-01-2021)

Field 07SC1 - State Code
1

(1) Field 07SC1 is transcribed from **either** of the following lines:

- Line 13 of Section A, Part II; **or**
- Row 1 of Line 17(a) of Section B.

Note: Schedule H filers are instructed to complete Section "A" **or** "B", not both.

(2) Field 07SC1 is the two-letter abbreviation of the state that the employer paid unemployment contributions.

Note: State Code "ZZ" is valid as **ERS Input Only** and is used when the FUTA Section of Schedule H is nontaxable and the state is a Credit Reduction State. See IRM 3.12.14.13.3.28, Fields 07CC1 through 07CC5 - Schedule H, Credit Reduction States 1 through 5.

(3) **Code & Edit** will edit as follows:

If...	Then...
More than one State Code is present on Line 13 (not Line 17)	• C&E will "X" all State Codes.
More than two State Codes are present on Schedule H or attachments	• C&E will "X" all State Codes.

Note: Deleting State Codes in C&E will force the return to ERS for input of State Codes.

(4) Determine the valid input to Field 07SC1 as follows:

If...	Then...
The State Code is present on Line 13 or Line 17(a)	Enter the valid State Code in Field 07SC1.
The State Name was spelled out and not abbreviated	Enter the valid State Code in Field 07SC1. Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries

3.12.14.13.3.19 (1) Field 07SC2 is transcribed from Row 2 of Line 17(a) of Section “B”, Part II.
(01-01-2016)

Field 07SC2 - State Code 2 (2) Field 07SC2 is corrected in the same manner as Field 07SC1.

3.12.14.13.3.20 (1) Field 07SC3, Field 07SC4, and Field 07SC5 are **ERS Input Only** fields deter-
(01-01-2016) mined from Section B, Part II. The information will be on a separate
Fields 07SC3 through continuation sheet with all required columns from line 17, if the taxpayer
07SC5 - State Codes 3 needed additional space.
through 5

3.12.14.13.3.21 (1) Field 07ASI is transcribed from below Row 2 of Line 17(c).
(01-01-2016)
Field 07ASI - More Than
5 States Indicator

- Valid characters are “1” and blank.
- This field is for **ERS Input Only** and is only used when more than five entries are needed in the Fields 07SC1 through 07SC5.

Note: Field 07ASI will be used by the FUTA Certification program.

(2) For additional instructions, IRM 3.12.14.25.26, Error Code 188 - Schedule H (07ASI without 07SC5).

3.12.14.13.3.22 (1) Field 07FCP is transcribed from **either** of the following lines:
(01-01-2016)
Field 07FCP -
Unemployment
Contributions Paid

- Line 14 of Section A, Part II; **or**
- Line 17(h) of Section B.

(2) Field 07FCP is the employer’s total contributions paid to the state(s) unemployment fund for the year.

(3) If the employer didn’t have to make contributions, they may notate “0%”, “0% RATE”, “Zero Percent Rate”, or a similar entry.

- Delete the entry in Field 07FCP when the filer has indicated a zero.

3.12.14.13.3.23 (1) Field 07FTW is transcribed from **either** of the following lines:
(01-01-2016)
Field 07FTW - Total
FUTA Wages

- Line 15 of Section A, Part II; **or**
- Line 20 of Section B.

- 3.12.14.13.3.24
(01-01-2021)
Field 07FTX - FUTA Tax
- (1) Field 07FTX is transcribed from **either** of the following lines:
 - Line 16 of Section A, Part II; **or**
 - Line 24 of Section B, Part II.
 - (2) For additional instructions, see IRM 3.12.14.25.51, Error Code 878 - Check Schedule H FUTA Tax (Field 07FTX).
- 3.12.14.13.3.25
(01-01-2016)
Field 07FTV - FUTA Tax Verified
- (1) This field is for **ERS Input Only** and is only used when the computer **cannot** correctly compute Field 07FTX (Lines 16 or 24).
Caution: This field will only be used rarely.
- 3.12.14.13.3.26
(01-01-2016)
Field 07TTC - Tentative Credit
- (1) Field 07TTC is transcribed from Line 19 of Section B, Part II. If Line 19, Schedule H is blank and the taxpayer filled out Section B or has credit reduction states, enter .054 of Field 07TFW.
- 3.12.14.13.3.27
(01-01-2016)
Field 07TCR - Total Credit Reduction Amount
- (1) Field 07TCR is an **ERS Input Only** field and is the total of Fields 07CR1> through 07CR5>.
 - (2) Information in Field 07CW1 through 07CW5 must be associated with the proper State Code in Fields 07SC1 through 07SC5.
Example: If New York is a Credit Reduction State and California is not, an employer who moved from California to New York may have a Schedule H completed with CA in Field 07SC1 and NY in Field 07SC2. Field 07CW1 will be left blank because CA is not a Credit Reduction State, but the NY wages from Line 17(b) will be entered in Field 07CW2.
 - (3) For additional instructions, IRM 3.12.14.25.23, Error Code 183 - Schedule H Credits.
- 3.12.14.13.3.28
(01-01-2020)
Fields 07CC1 - through 07CC5 - Credit Reduction States 1 through 5
- (1) Fields 07CC1 through 07CC5 will be ISRP transcribed. All other "Credit Reduction" fields Schedule H will be **ERS Input Only**.
 - (2) These fields are only activated, if states are designated as "Credit Reduction States" by the U.S. Dept. of Labor. See Exhibit 3.12.14-44, Tax Years and Credit Reduction States.
 - (3) Credit reduction states for tax year 2022 are:
 - Virgin Islands 3.6%
 - California, Connecticut, Illinois, New York: 0.3%
- 3.12.14.13.3.29
(01-01-2016)
Fields 07CW1 through 07CW5 - Credit Reduction Wages 1 through 5
- (1) Fields 07CW1 through 07CW5 are **ERS Input Only** fields determined from information located on Line 17, column (b).
 - Employers are instructed to enter wages, that they pay state unemployment taxes on, to Line 17(b). These wages **must** be separated by state.
 - (2) Based on information input to Fields 07SC1 through 07SC5, **the computer program will:**

- Determine if the state is a valid Credit Reduction State.
- Multiply any of Fields 07CW1 through 07CW5, which are valid Credit Reduction States by the valid State Experience Rate, to determine Fields 07CR1> through 07CR5>.

Note: The valid states and experience rates are programmed into the computer, after the U.S. Department of Labor designates states as "Credit Reduction States." See Exhibit 3.12.14-44, Tax Years and Credit Reduction States.

- (3) Field 07TCR> will systemically generate to calculate the total of Fields 07CR1> through 07CR5> if multiple Credit Reduction States are present.
- (4) For additional instructions, IRM 3.12.14.25.23, Error Code 183 - Schedule H Credits.

3.12.14.14
(01-01-2016)

Section 10 - Schedule D (1041), Capital Gains and Losses & Form 8949

- (1) Section 10 contains amounts which are transcribed from:
 - Schedule D (Form 1041), Capital Gains and Losses.
 - Form 8949, Sales and Other Dispositions of Capital Assets
- (2) All money amounts in Section 10 must be entered as **dollars only**.

3.12.14.14.1
(04-28-2022)

Error Record Format - Section 10

- (1) Listed below are the fields contained in Section 10:

Field Designator	Maximum Length	Title	Location
10OID	1	Schedule D Qualified Opportunity Fund Investment Disposal Indicator	Yes/No check boxes Above Part I
101AD	13 +	Short Term transactions on 1099-B Proceeds (sales price)	Line 1a, column D
101AE	13 +	Short Term transactions on 1099-B Cost (or other basis)	Line 1a, column E
101BD	13 +	Short Term box A Proceeds (sales price)	Line 1b, column D
101BE	13 +	Short Term box A Cost (or other basis)	Line 1b, column E
101BG	13 +/-	Short Term box A, Adjustments	Line 1b, column G

Field Designator	Maximum Length	Title	Location
1002D	13 +	Short Term box B Proceeds (sales price)	Line 2, column D
1002E	13 +	Short Term box B Cost (or other basis)	Line 2, column E
1002G	13 +/-	Short Term box B Adjustments	Line 2, column G
1003D	13 +	Short Term box C Proceeds (sales price)	Line 3, column D
1003E	13 +	Short Term box C Cost (or other basis)	Line 3, column E
1003G	13 +/-	Short Term box C Adjustments	Line 3, column G
1004	13 +/-	Short Term Capital Gain or Loss from	Line 4
1005	13 +/-	Net Short Term Gain or Loss from partnerships, S corps, and other estates or trusts	Line 5
108AD	13 +	Long Term Transactions on 1099-B Proceeds (sales price)	Line 8a, column D
108AE	13 +	Long Term Transactions on 1099-B Cost (or other basis)	Line 8a, column E
108BD	13 +	Long Term box D Proceeds (sales price)	Line 8b, column D
108BE	13 +	Long Term box D Cost (or other basis)	Line 8b, column E
108BG	13 +/-	Long Term box D Adjustments	Line 8b, column G
1009D	13 +	Long Term box E Proceeds (sales price)	Line 9, column D

Field Designator	Maximum Length	Title	Location
1009E	13 +	Long Term box E Cost (or other basis)	Line 9, column E
1009G	13 +/-	Long Term box E Adjustments	Line 9, column G
1010D	13 +	Long Term box F Proceeds (sales price)	Line 10, column D
1010E	13 +	Long Term box F Cost (or other basis)	Line 10, column E
1010G	13 +/-	Long Term box F Adjustments	Line 10, column G
1011	13 +/-	Long Term Capital Gain/Loss from Forms 2439	Line 11
1012	13 +/-	Net Long Term Capital Gain/Loss from partnerships, S corps, and other estates or trusts	Line 12
1013	13 +	Capital Gain Distributions	Line 13
1016	13 +/-	Net Long Term Capital Gain/Loss	Line 16
1017	13 +/-	Net Short Term Gain/Loss	Line 17, column 2
1018A	13 +/-	Net Long Term Gain/Loss Total for Year	Line 18a, column 2
1018B	13 +/-	Unrecaptured Section 1250 Gain	Line 18b, column 2
1018C	13 +	28% Rate Gain	Line 18c, column 2
1019	13 +	Total Net Gain/Loss	Line 19, column 2
1043	13 +	Add Lines 37, 41, and 42	Line 43
101AZ	9	Form 8949 Short Term Property EIN	Z Code - Line 1, Column (a), Part I, Form 8949

Field Designator	Maximum Length	Title	Location
101BZ	8	Form 8949 Short Term Property Date Acquired	Z Code - Line 1, Column (b), Part I, Form 8949
101GZ	13 +	Form 8949 Short Term Property Adjustment Amount	Z Code - Line 1, Column (g), Part I, Form 8949
101Z	1	Form 8949 Short Term Additional Property Indicator	Z Code - Line 1, edited in right margin Part I, Form 8949
101AY	9	Form 8949 Short Term Property EIN	Y Code Line 1, Column (a), Part I, Form 8949
101CY	8	Form 8949 Short Term Property Disposed	Y Code Line 1, Column (c), Part I, Form 8949
101GY	13+	Form 8949 Short Term Property Adjustment Amount	Y Code Line 1, Column (g), Part I, Form 8949
101Y	1	Form 8949 Short Term Additional Property Indicator	Y Code Line 1, edited in right margin, Part I, Form 8949
102AZ	9	Form 8949 Long Term Property EIN	Z Code - Line 1, Column (a), Part II, Form 8949
102BZ	8	Form 8949 Long Term Property Date Acquired	Z Code - Line 1, Column (b), Part II, Form 8949
102GZ	13 +	Form 8949 Long Term Property Adjustment Amount	Z Code - Line 1, Column (g), Part II, Form 8949
102Z	1	Form 8949 Long Term Additional Property Indicator	Z Code - Line 1, edited in right margin, Part II, Form 8949
102AY	9	Form 8949 Long Term Property EIN	Y Code - Line 1, Column (a), Part II, Form 8949
102CY	8	Form 8949 Long Term Property Date Disposed	Y Code - Line 1, Column (c), Part II, Form 8949

Field Designator	Maximum Length	Title	Location
102GY	13+	Form 8949 Long Term Property Adjustment Amount	Y Code Line 1, Column (g), Part II, Form 8949
102Y	1	Form 8949 Long Term Additional Property Indicator	Y Code - Line 1, edited in right margin Part II, Form 8949

3.12.14.14.2
(01-01-2020)
Invalid Condition

- (1) Money amount fields will be in error if not numeric.
- (2) The invalid conditions for Form 8949 fields will be listed under the procedures for those fields.

3.12.14.14.3
(01-01-2020)
Correction Procedures

- (1) Only Schedule D (Form 1041) is acceptable, if required. If the taxpayer substitutes a Schedule D from any other tax return (i.e., Form 1040, Form 1065, Form 1120, etc.), correspond.

#

- (2) 201311 and prior year returns will not have page 1 of Schedule D converted, as that section was not transcribed previously.
- (3) Additional correction procedures for Section 10 fields follow.

3.12.14.14.3.1
(01-01-2020)
Field 10OID - Schedule D Qualified Opportunity Fund Investment Disposal Indicator

- (1) The entry for the field edit and transcribed in the area where the Check Yes and No boxes above Part I, Schedule D.
- (2) If a code is present in Field 01OID and the Tax Period is other than 201712 and later, then delete the entry.
- (3) The field will be invalid if not numeric and not 0, 1, 2, or 3.
- (4) Enter the correct code into Field 10OID as follows:
 - 0 - Default (Neither Yes or No boxes checked)
 - 1 - Yes box checked
 - 2 - No box checked
 - 3 - Both Yes and No boxes checked

3.12.14.14.3.2
(01-01-2020)
Fields 101AD through 1043 - Schedule D Lines 1a through 43

- (1) These fields are transcribed from Part I, Part II, and Part III, Schedule D.
- (2) Correct coding and transcription errors and misplaced entries on displayed fields.

3.12.14.14.3.3
(01-01-2021)

**Fields 101AZ, 101BZ,
101GZ, & 101Z - "Z"**
**Code Form 8949 Short
Term Property Data Part
I**

- (1) Data for this fields is transcribed from Line 1 column (a), (b), (g), and (h) right margin, Part I, Form 8949:

Note: These fields will only be transcribed when a line row in column (f) contains a code "Z."

- (2) If the Tax Period is 201711 and prior, then delete the data in all fields.

- (3) If any line row in column (f), Form 8949 contains a code "Z":

Note: The first line row data with code "Z" should be entered.

If...	Then...
Code "Z" is present in any row column (f),	Enter the data from the line row with code "Z" as follows: <ul style="list-style-type: none"> • Enter "M" in Field 01CCC. • Enter the EIN from column (a) into Field 101AZ. • Enter the Property Date Acquired from column (b) into Field 101BZ in YYYYMMDD format. • Enter the Property Adjustment Amount from column (g) into Field 101GZ. • If additional line rows with a code "Z" contains data, then enter 1 into Field 101Z.

- (4) If any of the fields are in error after input do the following:

If...	Then...
Field 101AZ is in error,	Ensure only numeric values are entered. (9 or less digits).
Field 101BZ is in error,	<ul style="list-style-type: none"> • Ensure the data is numeric and entered in YYYYMMDD format. • If the date is not present or less than 8 digits, then delete then entry.
Field 101GZ is in error,	Ensure the data is entered as numeric and positive.
Field 101Z is in error,	Ensure the data entered is numeric: <ul style="list-style-type: none"> • 1 - More than one line row with a code "Z" is present. • 0 - Default (No additional properties).

3.12.14.14.3.4
(01-01-2021)

Fields 101AY, 101CY, 101GY, & 101Y - "Y"
Code Form 8949 Short Term Property Data Part I

(1) Data for this fields is transcribed from Line 1 column (a), (c), (g), and (h) right margin, Part I, Form 8949.

Note: These fields will only be transcribed when a line row in column (f) contains a code "Y."

(2) If the Tax Period is 201711 or prior, delete the data in all fields.

(3) If any line in column (f), Form 8949, contains a code "Y", follow the instructions in the table below:

Note: The first line row data with code "Y" should be entered.

If...	Then...
Code Y is present in any line row of column (f),	<p>Enter the data from the line row with code "Y" as follows:</p> <ul style="list-style-type: none"> • Enter "M" in Field 01CCC. • Enter the EIN from column (a) into Field 101AY. • Enter the Property Date Sold or Disposed from column (c) into Field 101CY in YYYYMMDD format. • Enter the Property Adjustment Amount from column (g) into Field 101GY. • If additional line rows with a code Y contains data, then enter 1 into Field 101Y.

(4) If any of the fields are in error after input do the following:

If...	Then...
Field 101AY is in error,	Ensure only numeric values are entered. (9 or less digits).
Field 101CY is in error,	<ul style="list-style-type: none"> • Ensure the data is numeric and entered in YYYYMMDD format. • If the date is not present or less than 8 digits, then delete then entry.
Field 101GY is in error,	Ensure the data is entered as numeric and positive.
Field 101Y is in error,	<p>Ensure the data entered is numeric:</p> <ul style="list-style-type: none"> • 1 - More than one line row with a "Y" is present. • 0 - Default (No additional properties).

3.12.14.14.3.5
(01-01-2021)

**Fields 102AZ, 102BZ,
102GZ, & 102Z - "Z"**
**Code Form 8949 Long
Term Property Data Part
II**

- (1) Data for this fields is transcribed from Line 1 column (a), (b), (g), and (h) right margin, Part II, Form 8949.

Note: These fields will only be transcribed when a line row in column (f) contains a code "Z."

- (2) If the Tax Period is 201711 or prior, delete the data in all fields.
- (3) If any line in column (f), Form 8949, contains a code "Z", follow the instructions in the table below:

Note: The first line row data with code "Z" should be entered.

If...	Then...
Code "Z" is present in any row of column (f),	Enter the data from the line row with code "Z" as follows: <ul style="list-style-type: none"> • Enter "M" in Field 01CCC. • Enter the EIN from column (a) into Field 102AZ. • Enter the Property Date Acquired from column (b) into Field 102BZ in YYYYMMDD format. • Enter the Property Adjustment Amount from column (g) into Field 102GZ. • If additional line rows with a Code "Z" contains data, then enter 1 into Field 102Z.

- (4) If any of the fields are in error after input, do the following:

If...	Then...
Field 1021A is in error,	Ensure only numeric values are entered. (9 or less digits).
Field 1021B is in error,	<ul style="list-style-type: none"> • Ensure the data is numeric and entered in YYYYMMDD format. • If the date is not present or less than 8 digits, then delete then entry.
Field 1021G is in error,	Ensure the data is entered as numeric and positive.
Field 102Z is in error,	Ensure the data entered is numeric: <ul style="list-style-type: none"> • 1 - More than one line row with a code "Z" is present. • 0 - Default (No additional properties).

3.12.14.14.3.6
(01-01-2021)

Fields 102AY, 102CY, 102GY, & 102Y - "Y"
Code Form 8949 Long Term Property Data Part II

- (1) Data for this fields is transcribed from Line 1 column (a), (c), (g), and (h) right margin, Part II, Form 8949.

Note: These fields will only be transcribed when a line row in column (f) contains a code "Y."

- (2) If the Tax Period is 201711 or prior, delete the data in all fields.
- (3) If any line in column (f), Form 8949 contains a code "Y", follow the instructions in the table below:

Note: The first line row data with code "Y" should be entered.

If...	Then...
Code "Y" is present in any row of column (f),	<p>Enter the data from the line row with code "Y" as follows:</p> <ul style="list-style-type: none"> • Enter "M" in Field 01CCC. • Enter the EIN from column (a) into Field 102AY. • Enter the Property Date Sold or Disposed from column (c) into Field 102CY in YYYYMMDD format. • Enter the Property Adjustment Amount from column (g) into Field 102GY. • If additional line rows with a Code "Y" contains data, then enter 1 into Field 102Y.

- (4) If any of the fields are in error after input do the following:

If...	Then...
Field 102AY is in error,	Ensure only numeric values are entered. (9 or less digits).
Field 102CY is in error,	<ul style="list-style-type: none"> • Ensure the data is numeric and entered in YYYYMMDD format. • If the date is not present or less than 8 digits, then delete then entry.
Field 102GY is in error,	Ensure the data is entered as numeric and positive.
Field 102Y is in error,	<p>Ensure the data entered is numeric:</p> <ul style="list-style-type: none"> • 1 - More than one line row with a Code "Y" is present. • 0 - Default (No additional properties).

3.12.14.15
(01-01-2020)

**Section 13 - Form 8995
or Form 8995-A,
Qualified Business
Income Deduction
Computation**

- (1) Section 13 contains amounts which are transcribed from either:
 - Form 8995, Qualified Business Income Deduction Simplified Computation, or
 - Form 8995-A, Qualified Business Income Deduction
- (2) All money amounts in Section 13 must be entered as **dollars and cents** and **positive-only**.

3.12.14.15.1
(01-01-2021)

**Error Record Format -
Section 13**

- (1) Listed below are the fields contained in Section 13:

Designators	Length	Field Name	Line Location
13BNC	15+	Qualified Business Net Loss Carry-forward Amount	Line 3, Form 8995 Line 2, Sch C, Form 8995-A
13QBI	15+	Qualified Business Income Component Amount	Line 5, Form 8995 Line 27, Form 8995-A
13RPC	15+	Qualified REIT Dividends & PTP Loss Carryover Amount	Line 7, Form 8995 Line 29, Form 8995-A
13QRP	15+	Qualified REIT/PTP Component Amount	Line 9, Form 8995 Line 31, Form 8995-A
13NCG	15+	Net Capital Gains Amount	Line 12, Form 8995 Line 34, Form 8995-A
13TBL	15+	Total Qualified Business Loss Carryforward Amount	Line 16, Form 8995 Line 6, Sch C, Form 8995-A
13DPD	15+	Form 8995-A Domestic Production Amount	Line 38, Form 8995-A
13TRP	15+	Total Qualified REIT Dividends & PTP Loss Carryforward Amount	Line 17, Form 8995 Line 40, Form 8995-A

3.12.14.15.2
(03-25-2021)

Invalid Conditions

- (1) The fields will be in error if not numeric.
- (2) All fields will be in error if the Tax Period is 201911 or prior.
- (3) The fields will be in error if negative.

3.12.14.15.3
(03-25-2021)

Correction Procedures

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) If the return is for Tax Period 201911 or prior, DLSEC Section 13.
- (3) If Forms 8995 and Form 8995-A are missing and Line 20, Form 1041 has an amount, do not correspond and assign TPNC 61 when EC 846 generates.
- (4) If any field is negative, treat it as a positive and delete the minus sign.

3.12.14.16

(01-01-2016)

Sections 15 through 18 - Form 4136 (Credit for Federal Tax Paid on Fuels)

- (1) Sections 15 through 18 contain gas and fuel credit amounts which are transcribed from Form 4136 (Credit for Federal Tax on Fuels).

- All money amounts in Sections 15 through 18 **must** be entered as **dollars-only**.

3.12.14.16.1

(01-01-2021)

Error Record Format - Section 15

- (1) Listed below are the fields contained in Sections 15. Data in this section is obtained from Form 4136:

Field Designator	Maximum Length	Title
15A01	10 +	Amount of Claim Number 1
15C01	3	Credit Reference Number 1
15A02	10 +	Amount of Claim Number 2
15C02	3	Credit Reference Number 2
15A03	10 +	Amount of Claim Number 3
15C03	3	Credit Reference Number 3
15A04	10 +	Amount of Claim Number 4
15C04	3	Credit Reference Number 4
15A05	10 +	Amount of Claim Number 5
15C05	3	Credit Reference Number 5
15A06	10 +	Amount of Claim Number 6
15C06	3	Credit Reference Number 6
15A07	10 +	Amount of Claim Number 7
15C07	3	Credit Reference Number 7
15A08	10 +	Amount of Claim Number 8
15C08	3	Credit Reference Number 8
15A09	10 +	Amount of Claim Number 9
15C09	3	Credit Reference Number 9
15A10	10 +	Amount of Claim Number 10
15C10	3	Credit Reference Number 10
15A11	10 +	Amount of Claim Number 11
15C11	3	Credit Reference Number 11
15A12	10 +	Amount of Claim Number 12
15C12	3	Credit Reference Number 12

Note: All Transcription lines are in Column (d), “Amount of Credit” and Column (e), “CRN”.

(2) **Valid Characters** -Numeric and blank only. Any field will be invalid if not all numeric (or blank).

(3) **Correction Procedures** -

- Correct all misplaced entries, coding errors, and transcription errors.
- Verify the CRN is valid for the tax period. See IRM 3.12.14.25.57, Error Code 894 - Invalid Credit Reference Number (Form 4136).

3.12.14.16.2
(01-01-2021)

**Error Record Format -
Section 16**

(1) Listed below are the fields contained in Sections 16. Data in this section is obtained from Form 4136:

Field Designator	Maximum Length	Title
16A01	10 +	Amount of Claim Number 13
16C01	3	Credit Reference Number 13
16A02	10 +	Amount of Claim Number 14
16C02	3	Credit Reference Number 14
16A03	10 +	Amount of Claim Number 15
16C03	3	Credit Reference Number 15
16A04	10 +	Amount of Claim Number 16
16C04	3	Credit Reference Number 16
16A05	10 +	Amount of Claim Number 17
16C05	3	Credit Reference Number 17
16A06	10 +	Amount of Claim Number 18
16C06	3	Credit Reference Number 18
16A07	10 +	Amount of Claim Number 19
16C07	3	Credit Reference Number 19
16A08	10 +	Amount of Claim Number 20
16C08	3	Credit Reference Number 20
16A09	10 +	Amount of Claim Number 21
16C09	3	Credit Reference Number 21
16A10	10 +	Amount of Claim Number 22
16C10	3	Credit Reference Number 22
16A11	10 +	Amount of Claim Number 23
16C11	3	Credit Reference Number 23

Field Designator	Maximum Length	Title
16A12	10 +	Amount of Claim Number 24
16C12	3	Credit Reference Number 24

Note: All Transcription lines are in Column (d), "Amount of Credit" and Column (e), CRN.

(2) **Valid Characters** - Numeric and blank only. Any field will be invalid if not all numeric (or blank).

(3) **Correction Procedures** -

- Correct all misplaced entries, coding errors, and transcription errors.
- Verify the CRN is valid for the tax period. See IRM 3.12.14.25.57.1, Invalid Condition - Error Code 894.

3.12.14.16.3
(01-01-2021)

**Error Record Format -
Section 17**

(1) Listed below are the fields contained in Sections 17. Data in this section is obtained from Form 4136:

Field Designator	Maximum Length	Title
17A01	10 +	Amount of Claim Number 25
17C01	3	Credit Reference Number 25
17A02	10 +	Amount of Claim Number 26
17C02	3	Credit Reference Number 26
17A03	10 +	Amount of Claim Number 27
17C03	3	Credit Reference Number 27
17A04	10 +	Amount of Claim Number 28
17C04	3	Credit Reference Number 28
17A05	10 +	Amount of Claim Number 29
17C05	3	Credit Reference Number 29
17A06	10 +	Amount of Claim Number 30
17C06	3	Credit Reference Number 30
17A07	10 +	Amount of Claim Number 31
17C07	10 +	Credit Reference Number 31
17A08	10 +	Amount of Claim Number 32
17C08	3	Credit Reference Number 32
17A09	10 +	Amount of Claim Number 33

Field Designator	Maximum Length	Title
17C09	3	Credit Reference Number 33
17A10	10 +	Amount of Claim Number 34
17C10	3	Credit Reference Number 34
17A11	10 +	Amount of Claim Number 35
17C11	3	Credit Reference Number 35
17A12	10 +	Amount of Claim Number 36
17C12	3	Credit Reference Number 36

Note: All Transcription lines are in Column (d), "Amount of Credit" and Column (e), CRN.

- (2) **Valid Characters** - Numeric and blank only. Any field will be invalid if not all numeric (or blank).
- (3) **Correction Procedures** -
- Correct all misplaced entries, coding errors, and transcription errors.
 - Verify the CRN is valid for the tax period. See IRM 3.12.14.25.57, Error Code 894 - Invalid Credit Reference Number (Form 4136).

3.12.14.16.4
(01-01-2021)

**Error Record Format -
Section 18**

- (1) Listed below are the fields contained in Sections 18. Data in this section is obtained from Form 4136:

Field Designator	Maximum Length	Title
18A01	10 +	Amount of Claim Number 37
18C01	3	Credit Reference Number 37
18A02	10 +	Amount of Claim Number 38
18C02	3	Credit Reference Number 38
18A03	10 +	Amount of Claim Number 39
18C03	3	Credit Reference Number 39
18A04	10 +	Amount of Claim Number 40
18C04	3	Credit Reference Number 40
18A05	10 +	Amount of Claim Number 41
18C05	3	Credit Reference Number 41
18A06	10 +	Amount of Claim Number 42
18C06	3	Credit Reference Number 42
18A07	10 +	Amount of Claim Number 43

Field Designator	Maximum Length	Title
18C07	3	Credit Reference Number 43

Note: All Transcription lines are in Column (d), "Amount of Credit" and Column (e), CRN.

- (2) **Valid Characters** - Numeric and blank only. Any field will be invalid if not all numeric (or blank).
- (3) **Correction Procedures** -
 - Correct all misplaced entries, coding errors, and transcription errors.
 - Verify the CRN is valid for the tax period. See IRM 3.12.14.25.57, Error Code 894 - Invalid Credit Reference Number (Form 4136).

3.12.14.17
(01-01-2023)
**Section 19 - Form 8978,
Partner's Audit Liability
Under Section 6226**

- (1) Section 19 contains amounts which are transcribed from Form 8978.
- (2) All money amounts in Section 19 must be entered as **dollars and cents**.

3.12.14.17.1
(01-01-2023)
**Error Record Format -
Section 19**

- (1) Listed below are the fields contained in Section 19:

Designators	Length	Field Name	Line Location
19Q1	1	Form 8978, Source of review year adjustments	Below Name of partner(s) line.
1914	15 +/-	Form 8978 Total Additional Reporting Year Tax Amount	Line 14
1916	15 +	Form 8978 Total Penalties Amount	Line 16
1918	15 +	Form 8978 Total Interest Amount	Line 18

3.12.14.17.2
(01-01-2023)
Invalid Conditions

- (1) The fields will be in error if not numeric.

3.12.14.17.3
(01-01-2023)
Correction Procedures

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) If the return is for Tax Period 201711 and prior, DLSEC Section 19.
- (3) If line 14, Form 8978 is a negative, ensure the amount has been transcribed as a negative into Field 1914.

- (4) If any field in Section 19 displays because it contains a non-numeric entry, delete the field.

3.12.14.18
(04-28-2022)

**Section 20 - Form 965-A,
Individual Report of Net
965 Tax Liability**

- (1) Section 20 contains amounts which are transcribed from Form 965-A for Tax Periods 201712 and subsequent.
- (2) All money amounts in Section 20 must be entered as **dollars-only**.

3.12.14.18.1
(04-28-2022)

**Error Record Format -
Section 20**

- (1) Listed below are the fields contained in Section 20:

Designators	Length	Field Name	Line Location
2001A	4	Year of 965(a) Inclusion Liability Triggering Event (2017)	Part I, Column (a), Line 1 (2017)
2001J	15 +/-	Net 965 Tax Liability Transferred (2017)	Part I, Column (j), Line 1 (2017)
2001K	9	Tax ID Number of buyer or seller (2017)	Part I, Column (k), Line 1 (2017)
2002A	4	Year of 965(a) Inclusion Liability Triggering Event (2018)	Part I, Column (a), Line 2 (2018)
2002J	15 +/-	Net 965 Tax Liability Transferred (2018)	Part I, Column (j), Line 2 (2018)
2002K	9	Tax ID Number of buyer or seller (2018)	Part I, Column (k), Line 2 (2018)
2003A	4	Year of 965(a) Inclusion Liability Triggering Event (2019)	Part I, Column (a), Line 3 (2019)
2003J	15 +/-	Net 965 Tax Liability Transferred (2019)	Part I, Column (j), Line 3 (2019)
2003K	9	Tax ID Number of buyer or seller (2019)	Part I, Column (k), Line 3 (2019)
2004A	4	Year of 965(a) Inclusion Liability Triggering Event (2020)	Part I, Column (a), Line 4 (2020)
2004J	15 +/-	Net 965 Tax Liability Transferred (2020)	Part I, Column (j), Line 4 (2020)
2004K	9	Tax ID Number of buyer or seller (2020)	Part I, Column (k), Line 4 (2020)
2005A	4	Year of 965(a) Inclusion Liability Triggering Event	Part I, Column (a), Line 5
2005J	15 +/-	Net 965 Tax Liability Transferred	Part I, Column (j), Line 1

Designators	Length	Field Name	Line Location
2005K	9	Tax ID Number of buyer or seller	Part I, Column (k), Line 5
20P1A	1	Form 965-A Part I Additional Information Indicator	Line 6, Part 1 Edited Left of line
20TT1	15-	Net 965 Tax Liability Triggered Amount 1	Line 1, Column (f), Part IV
20TT2	15-	Net 965 Tax Liability Triggered Amount 2	Line 2, Column (f), Part IV
20TT3	15-	Net 965 Tax Liability Triggered Amount 3	Line 3, Column (f), Part IV
20TT4	15-	Net 965 Tax Liability Triggered Amount 4	Line 4, Column (f), Part IV
20TT5	15-	Net 965 Tax Liability Triggered Amount 5	Line 5, Column (f), Part IV
20P4A	1	Form 965-A Part I Additional Information Indicator	Line 6, Part IV Edited Left of line
20TDT	15+	Form 965-A Total Deferred Net Tax Liability Amount	Total below Line 10, Column (j), Part IV

3.12.14.18.2
(01-01-2020)

Invalid Conditions

- (1) All fields will be in error if the Tax Period is 201711 or prior.

3.12.14.18.3
(01-01-2020)

Correction Procedures

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) If the return filed is for Tax Period 201711 or prior, DLSEC Section 20.

3.12.14.19
(01-01-2020)

Section 21 - Form 8941, Credit for Small Employer Health Insurance Premiums

- (1) Section 21 contains the Credit for Small Employer Health Insurance Premiums.
 - All entries must be positive.
 - All money amounts in Section 21, must be entered as **dollars only**.
 - Valid characters are numeric and blank only. Any field will be invalid if not numeric or blank.
 - Any entry on Line 2 with a decimal point will be rounded down.
 - The credit is not valid for any tax period before 201012.

3.12.14.19.1
(01-01-2019)

Error Record Format - Section 21

- (1) Listed below are the fields contained in Section 21. Data in this section is from Form 8941.

Field Designator	Maximum Length	Title	Location
21CBX	1	SHOP Check Box	Line A
21LNB	9	EIN	Line B
21BXC	1	Credit Period Limitation Check Box	Line C
21LN1	4	Number of employees	Line 1
2102	4	Number of Full Time Employees	Line 2
2103	15	Average Annual Wages	Line 3
2104	15	Health Insurance Premiums Paid	Line 4
2105	15	Premiums You Would Have Paid	Line 5
2110	15	Premium Subsidies Paid	Line 10
2113	4	Number of Employees with Premiums Paid	Line 13
2114	4	Number of Full Time Employees with Premiums Paid	Line 14
2115	15	Credit for small employer health insurance premiums	Line 15
2116	15	Add lines 12 and 15.	Line 16
2117	15	Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust.	Line 17
2118	15	Cooperatives, Estates, Trusts Credit	Line 18
2118V	15	Verified amount of Line 18.	ERS Input Only Field

(2) **Correction Procedures** - correct all misplaced entries, coding errors, and transcription errors.

(3) Field 21CBX and Field 21BXC - Valid entries include:

- 0 - no boxes checked.
- 1 - "Yes" box checked.
- 2 - "No" box checked.

- 3 - Multiple boxes are checked.

3.12.14.20
(01-01-2023)
Section 22 - Form 5884-B, New Hire Retention Credit

- (1) Section 22 contains the information transcribed from Form 5884-B. The credit was part of the HIRE Act enacted on March 18, 2010.

- All entries must be positive,
- All entries are numeric or blank,
- All entries must be **dollars only**.

Caution: This credit was valid for tax year 2010 and cannot be used for tax year 2011 or later.

3.12.14.20.1
(01-01-2023)
Error Record Format - Section 22

- (1) Listed below are the fields contained in Section 22. Data in this section is from Form 5884-B:

Caution: This credit was valid for tax year 2010 and cannot be used for tax period 201112 or later.

Field Designator	Maximum Length	Title	Location
2210	15	Total of Line 9, columns (a) through (c)	Line 10
2211	7	Number of retained workers for whom receiving credit	Line 11

- (2) **Correction Procedures** - correct all misplaced entries, coding errors, and transcription errors.

3.12.14.21
(01-01-2024)
Sections 23 through 25 - Form 3800, General Business Credit

- (1) Sections 23 through 25 contain the General Business Credits and Elective Payment Elections claimed on Form 3800:

- All fields in Column b are alpha numeric.
- All fields that contain money amounts must be positive, except the fields transcribed from column (g), which can be positive or negative.
- All fields that contain money amounts are transcribed as **dollars only**.

Note: Prior year converted Form 3800(s) may not contain expired credits that were valid during the tax period being filed. Check the X'd original for the ERS input only fields.

- (2) If C&E has not already done so, correspond for the supporting credit form as follows:

If	And	Then
The sum of column (e) and (f), for any credit claimed in Part and the supporting form is not attached,	Part IV, Columns e, f, or g have entries (Part III, Box C, D, or G are checked for 202212 and prior),	No action is needed. The credit is for a carryover, and the form is not required.
The sum of column (e) and (f), for any credit claimed in Part and the supporting form is not attached,	The credit is for a pass-through entity (Part III, Column (d) (Column (b) for 202212 and prior) has an EIN listed),	No action is needed. The credit is from a pass-through entity, and the form is not required. Exception: If a credit is claimed on Lines 1a, 1d, 1o, 4a or 4k, Form 3468 must be attached. If a credit is claimed on lines 1l or 1ff Form 8864 must be attached.
The sum of column (e) and (f), for any credit claimed in Part and the supporting form is not attached,	The situations above do not exist,	Correspond.

#

#

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3.12.14.21.1
(01-01-2024)
**Section 23 - Fields
Displayed**

- (1) Listed below are the fields contained in Section 23. Data in this section is from Form 3800, Parts I, II, and III:
- (2) Fields transcribed from Column (g) can be positive or negative and are dollars only. All other money amounts are positive only and dollars only.

Field Designator	Maximum Length	Title	Location
23001	15	General business credit	Part I, Line 1

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 147

Field Designator	Maximum Length	Title	Location
23002	15	Passive activity credits	Part I, Line 2
23003	15	Passive activity credits allowed	Part I, Line 3
23004	15	Carryforward of general business credits	Part I, Line 4
23005	15	Carryback of general business credits	Part I, Line 5
2310B	15	Certain allowable credits	Part II, Line 10b
2316B	15	For a corporation electing to accelerate the research credit (Rev. 2011 only)	Part II, Line 16b ERS Only Input field for prior years (Rev. 2011 only).
23022	15	Combine the amounts from line 3 of Part III, with the sum of... (For Revision 2022 and prior, this line was the total from boxes A, C, and D, Part III)	Part II, Line 22
23024	15	Passive activity credit allowed	Part II, Line 24
23028	15	Add lines 17 and 26	Part II, Line 28
23030	15	Enter the general business credit	Part II, Line 30
23031	15	Enter the total eligible small business credits allowed (Rev. 2011 - 2012 only)	Part II, Line 31 ERS Input Only (Rev. 2011 - 2012 only)
23032	15	Passive activity credits	Part II, Line 32
23033	15	Passive activity credits allowed	Part II, Line 33
23034	15	Carryforward of business credits	Part II, Line 34
23035	15	Carryback of business credits	Part II, Line 35
2301A	15	Investment (Form 3468, Part II)	Part III, Line 1a, Column j
231BB	12	Form 7207, Advanced Manufacturing Credit (registration number)	Part III, Line 1b, Column b (Valid 202301 and subsequent)
231BG	15	Form 7207 (Credit transfer Election Amount)	Part III, Line 1b, Column g (Valid 202301 and subsequent)
231BH	15	Form 7207 (Gross Elective Payment Election)	Part III, Line 1b, Column h (Valid 202301 and subsequent)
231BI	15	Form 7207 (Net elective payment)	Part III, Line 1b, Column (i) (Valid 202301 and subsequent)
231BJ	15	Form 7207 (Net GBC)	Part III, Line 1b, Column j (Valid 202301 and subsequent)
2301C	15	Increasing research activities (Form 6765)	Part III, Line 1c, Column J

Field Designator	Maximum Length	Title	Location
231DB	12	F3468, Part III (registration number)	Part III, Line 1d, Column b (Valid 202301 and subsequent)
231DG	15	F3468, Part III (Credit transfer Election Amount)	Part III, Line 1d, Column g (Valid 202301 and subsequent)
231DH	15	F3468, Part III (Gross Elective Payment Election)	Part III, Line 1d, Column h (Valid 202301 and subsequent)
231DI	15	F3468, Part III, (Net elective payment)	Part III, Line 1d, Column (i) (Valid 202301 and subsequent)
231DJ	15	F3468, Part III (Net GBC)	Part III, Line 1d, Column j (Valid 202301 and subsequent)
2301E	15	Disabled access (Form 8826)	Part III, Line 1e, Column j
231FB	12	F8835, Part II (registration number)	Part III, Line 1f, Column b (Valid 202301 and subsequent)
231FG	15	F8835, Part II (Credit transfer Election Amount)	Part III, Line 1f, Column g (Valid 202301 and subsequent)
231FJ	15	F8835, Part II (Net GBC)	Part III, Line 1f, Column j (Valid 202301 and subsequent)
231GB	12	F7210 (registration number)	Part III, Line 1g, Column b (Valid 202301 and subsequent)
231GG	15	F7210 (Credit transfer Election Amount)	Part III, Line 1g, Column g (Valid 202301 and subsequent)
231GH	15	F7210 (Gross Elective Payment Election)	Part III, Line 1g, Column h (Valid 202301 and subsequent)
231GI	15	F7210 (Net elective payment)	Part III, Line 1g, Column (i) (Valid 202301 and subsequent)
231GJ	15	F7210 (Net GBC)	Part III, Line 1g, Column j (Valid 202301 and subsequent)
2301H	15	F8820 (orphan drug)	Part III, Line 1h, Column j (Valid 202301 and subsequent)
2301I	15	F8874 (new markets)	Part III, Line 1i, Column j (Valid 202301 and subsequent)
2301J	15	F8881, Part I (pension plan startup)	Part III, Line 1j, Column j (Valid 202301 and subsequent)
2301K	15	F8882 (employer provided childcare)	Part III, Line 1k, Column j (Valid 202301 and subsequent)
2301L	15	F8864 (biodiesel and renewable diesel)	Part III, Line 1l, Column j (Valid 202301 and subsequent)
2301M	15	F8896 (low sulfur diesel fuel)	Part III, Line 1m, Column j (Valid 202301 and subsequent)

Field Designator	Maximum Length	Title	Location
2301N	15	F8906 (distilled Spirits)	Part III, Line 1n, Column j (Valid 202301 and subsequent)

(3) **Correction Procedures:**

- a. Correct all misplaced entries, coding errors, and transcription errors.
- b. If a field error generates because the field is not valid for the tax period in 01TXP (see “Fields Displayed” table above for valid tax periods), do the following:
 - Verify the correct tax period is in Field 01TXP.
 - If the field error still displays, delete the invalid entry.

Correct all misplaced entries, coding errors, and transcription errors.

3.12.14.21.1.1
(01-01-2016)
**Field 2301E - Disabled
Access Credit - (Form
8826)**

(1) **Description:**

- Field 2301E is transcribed from Part III, Line 1e on Form 3800, General Business Credit.

Code 163 - GBC Claimed Exceed Limits.

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3.12.14.21.2
(01-01-2024)
**Section 24 - Fields
Displayed**

- (1) Listed below are the fields contained in Section 24. Data in this section is from Form 3800, Part III.
- (2) Fields transcribed from Column (g) can be positive or negative and are dollars only. All other money amounts are positive only and dollars only.

Field Designators	Maximum Length	Title	Location
241OB	12	F3468, Part IV (registration number)	Part III, Line 1o, Column b (Valid 202301 and subsequent)
241OH	15	F3468, Part IV (Gross Elective Payment Election)	Part III, Line 1o, Column h (Valid 202301 and subsequent)
241OI	15	F3468, Part IV (Net elective payment)	Part III, Line 1o, Column (i) (Valid 202301 and subsequent)
241OJ	15	F3468, Part IV (Net GBC)	Part III, Line 1o, Column j (Valid 202301 and subsequent)

Field Designators	Maximum Length	Title	Location
2401P	15	Energy efficient home (Form 8908)	Part III, Line 1p, Column j
2401R	15	Alternative motor vehicle (Form 8910)	Part III, Line 1r, Column j
241SB	12	F8911, Part II (Registration number)	Part III, Line 1s, Column b (Valid 202301 and subsequent)
241SG	15	F8911, Part II (Credit transfer Election Amount)	Part III, Line 1s, Column g (Valid 202301 and subsequent)
241SH	15	F8911, Part II (Gross Elective Payment Election)	Part III, Line 1s, Column h (Valid 202301 and subsequent)
241SI	15	F8911, Part II (Net elective payment)	Part III, Line 1s, Column (i) (Valid 202301 and subsequent)
241SJ	15	F8911, Part II (Net GBC)	Part III, Line 1s, Column j (Valid 202301 and subsequent)
2401T	15	Enhanced oil recovery credit (Form 8830)	Part III, Line 1t, Column j
241UB	12	F7213 Part II (registration Number)	Part III, Line 1u, Column b (Valid 202301 and subsequent)
241UG	15	F7213 Part II (Credit transfer Election Amount)	Part III, Line 1u, Column g (Valid 202301 and subsequent)
241UH	15	F7213 Part II (Gross Elective Payment Election)	Part III, Line 1u, Column h (Valid 202301 and subsequent)
241UI	15	F7213 Part II (Net elective payment)	Part III, Line 1u, Column (i) (Valid 202301 and subsequent)

Field Designators	Maximum Length	Title	Location
241UJ	15	F7213 Part II (Net GBC)	Part III, Line 1u, Column j (Valid 202301 and subsequent)
2401W	15	Employer differential wage payments (Form 8932)	Part III, Line 1w, Column j
241XB	12	F8933 (registration number)	Part III, Line 1x, Column b (Valid 202301 and subsequent)
241XG	15	F8933 (Credit transfer Election Amount)	Part III, Line 1x, Column g (Valid 202301 and subsequent)
241XH	15	F8933 (Gross Elective Payment Election)	Part III, Line 1x, Column h (Valid 202301 and subsequent)
241XI	15	F8933 (Net elective payment)	Part III, Line 1x, Column (i) (Valid 202301 and subsequent)
241XJ	15	F8933 (Net GBC)	Part III, Line 1x, Column j (Valid 202301 and subsequent)
2401Y	15	F8936, Part II	Part III, Line 1y, Column j (Valid 202301 and subsequent)

(3) **Correction Procedures:**

- a. Correct all misplaced entries, coding errors, and transcription errors.
- b. If a field error generates because the field is not valid for the tax period in 01TXP (see “Fields Displayed” table above for valid tax periods), do the following:
 - Verify the correct tax period is in Field 01TXP.
 - If the field error still displays, delete the invalid entry.

3.12.14.21.3
(01-01-2024)

Section 25 - Fields Displayed

- (1) Listed below are the fields contained in Section 25. Data in this section is from Form 3800, Part III.

- (2) Fields transcribed from Column (g) can be positive or negative and are dollars only. All other money amounts are positive only and dollars only.

Field Designators	Maximum Length	Title	Location
25AAB	12	Form 8936 Part V (registration number)	Part III, Line 1aa, column b (Valid 202301 and subsequent)
25AAH	15	Form 8936 Part V (Gross Elective Payment Election)	Part III, Line 1aa, column h (Valid 202301 and subsequent)
25AAI	15	Form 8936 Part V (Net elective payment)	Part III, Line 1aa, column (i) (Valid 202301 and subsequent)
25AAJ	15	Form 8936 Part V (Net GBC)	Part III, Line 1aa, column j (Valid 202301 and subsequent)
25BBJ	15	F8904 (oil and gas production)	Part III, Line 1bb, column j (Valid 202301 and subsequent)
251CC	15	F7213 Part I	Part III, Line 1cc, column j (Valid 202301 and subsequent)
251DD	15	F8881, Part II (pension plan auto enrollment)	Part III, Line 1dd, column j (Valid 202301 and subsequent)
251EE	15	F8881, Part III (military spouse)	Part III, Line 1ee, column j (Valid 202301 and subsequent)
251FF	15	F8864, Line 8	Part III, Line 1ff, column j (Valid 202301 and subsequent)
251ZZ	15	"Other"	Part III, Line 1zz, Column j
254AB	12	F3468, Part VI (registration number)	Part III, Line 4a, Column b (Valid 202301 and subsequent)

Field Designators	Maximum Length	Title	Location
254AG	15	F3468, Part VI (Credit transfer Election Amount)	Part III, Line 4a, Column g (Valid 202301 and subsequent)
254AH	15	F3468, Part VI (Gross Elective Payment Election)	Part III, Line 4a, Column h (Valid 202301 and subsequent)
254AI	15	F3468, Part VI (Net elective payment)	Part III, Line 4a, Column (i) (Valid 202301 and subsequent)
254AJ	15	F3468, Part VI (Net GBC)	Part III, Line 4a, Column j (Valid 202301 and subsequent)
2504B	15	Work opportunity (Form 5884)	Part III, Line 4b, Column j
2504C	15	Biofuel producer (Form 6478)	Part III, Line 4c, Column j
2504D	15	Low-income housing (Form 8586)	Part III, Line 4d, Column j
254EB	12	F8835, Part II (registration number)	Part III, Line 4e, Column b (Valid 202301 and subsequent)
254EG	15	F8835, Part II (Credit transfer Election Amount)	Part III, Line 4e, Column g (Valid 202301 and subsequent)
254EH	15	F8835, Part II (Gross Elective Payment Election)	Part III, Line 4e, Column h (Valid 202301 and subsequent)
254EI	15	F8835, Part II (Net elective payment)	Part III, Line 4e, Column (i) (Valid 202301 and subsequent)
254EJ	15	F8835, Part II (Net GBC)	Part III, Line 4e, Column j (Valid 202301 and subsequent)

Field Designators	Maximum Length	Title	Location
2504F	15	Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	Part III, Line 4f, Column j
2504G	15	Qualified railroad track maintenance (Form 8900)	Part III, Line 4g, Column j
2504H	15	Small employer health insurance premiums (Form 8941)	Part III, Line 4h, Column j
2504I	15	Increasing research activities (Form 6765)	Part III, Line 4i, Column j
2504J	15	Employer Credit Paid Family Medical Leave (Form 8994)	Part III, Line 4j, Column j
2504K	15	F3468, Part VII, Line 14 (rehab credit)	Part III, Line 4k, Column j (Valid 202301 and subsequent)
2504Z	15	Other	Part III, Line 4z, Column j
25IND	1	Indicator - Part V, Column b has significant data	Form 3800, Part III, (edited bottom right) (Valid 202301 and subsequent)

(3) **Correction Procedures:**

- a. Correct all misplaced entries, coding errors, and transcription errors.
- b. If a field error generates because the field is not valid for the tax period in 01TXP (see "Fields Displayed" table above for valid tax periods), do the following:
 - Verify the correct tax period is in Field 01TXP.
 - If the field error still displays, delete the invalid entry.

3.12.14.22
(01-01-2022)

Section 26 Data - Form 8997 - Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments

- (1) This section contains instructions for correcting Section 26 Field Errors.
- (2) If tax period is before 201901 delete any fields in Section 26.

3.12.14.22.1
(01-01-2022)

Section 26 Field Errors

- (1) Section 26 contains information reported on Form 8997, Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments.

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 155

Field Designator	Field Title	Field Length	Location on Form 8997	Dollars/Cents	Pos/Neg
261A	EIN	9	Part I, Row 1, Column a		
261B	Date	8	Part I, Row 1, Column b		
261D	Special gain code	1	Part I, Row 1, Column d		
261E	\$ Amount	15	Part I, Row 1, Column e	\$ only	+
261F	\$ Amount	15	Part I, Row 1, Column f	\$ only	+
261IN	Indicator	1	Edited right margin, Part I, Row 1		
2612E	\$ Amount	15	Part I, Line 2, Column e (Column e total)	\$ only	+
2612F	\$ Amount	15	Part I, Line 2, Column f (Column f total)	\$ only	+
262A	EIN	9	Part II, Row 1, Column a		
262B	Date	8	Part II, Row 1, Column b		
262D	Special gain code	1	Part II, Row 1, Column d		
262E	\$ Amount	15	Part II, Row 1, Column e	\$ only	+
262F	\$ Amount	15	Part II, Row 1, Column f	\$ only	+
262IN	Indicator	1	Edited right margin, Part II, Row 1		
2622E	\$ Amount	15	Part II, Line 2, Column e (Column e total)	\$ only	+
2622F	\$ Amount	15	Part II, Line 2, Column f (Column f total)	\$ only	+
263A	EIN	9	Part III, Row 1, Column a		
263B	Date	8	Part III, Row 1, Column b		
263D	Special gain code	1	Part III, Row 1, Column d		
263E	\$ Amount	15	Part III, Row 1, Column e	\$ only	+
263F	\$ Amount	15	Part III, Row 1, Column f	\$ only	+
263IN	Indicator	1	Edited right margin, Part III, Row 1		
2632E	\$ Amount	15	Part III, Line 2, Column e (Column e total)	\$ only	+
2632F	\$ Amount	15	Part III, Line 2, Column f (Column f total)	\$ only	+

Field Designator	Field Title	Field Length	Location on Form 8997	Dollars/Cents	Pos/Neg
264A	EIN	9	Part IV, Row 1, Column a		
264B	Date	8	Part IV, Row 1, Column b		
264D	Special gain code	1	Part IV, Row 1, Column d		
264E	\$ Amount	15	Part IV, Row 1, Column e	\$ only	+
264F	\$ Amount	15	Part IV, Row 1, Column f	\$ only	+
264IN	Indicator	1	Edited right margin, Part IV, Row 1		
2642E	\$ Amount	15	Part IV, Line 2, Column e (Column e total)	\$ only	+
2642F	\$ Amount	15	Part IV, Line 2, Column f (Column f total)	\$ only	+

3.12.14.22.2
(01-01-2022)

Fields 261A, 262A, 263A and 264A

- (1) Fields 261A, 262A, 263A and 264A - Form 8997 - EIN
- (2) **Invalid Condition** - Fields 261A, 262A, 263A and 264A are invalid if:
 - The field is more than 9 characters.
 - The field is not numeric.
 - The tax period is before 201901.
- (3) **Correction Procedures:**
 - a. Correct all misplaced entries, coding errors, and transcription errors.
 - b. If the tax period is before 201901, delete the field.

3.12.14.22.3
(01-01-2022)

Fields 261B, 262B, 263B and 264B

- (1) Fields 261B, 262B, 263B and 264B - Form 8997 - Date QOF Investment acquired.
- (2) **Invalid Condition** - Fields 261B, 262B, 263B and 264B are invalid if:
 - The field is not 8 characters (YYYYMMDD).
 - The field is not numeric.
 - The month is zero or more than twelve.
 - The day range does not match the number of days in the month.
 - The tax period is before 201901.
- (3) **Correction Procedures:**
 - a. Correct all misplaced entries, coding errors, and transcription errors.
 - b. If the tax period is before 201901, delete the field.

3.12.14.22.4
(01-01-2022)

Fields 261D, 262D, 263D and 264D

- (1) Fields 261D, 262D, 263D and 264D - Form 8997 - Special gain code.
- (2) **Invalid Condition** - Fields 261D, 262D, 263D and 264D are invalid if:
 - The field is more than 1 character.
 - The field is not A, B, C, D, or E.
 - The tax period is before 201901.
- (3) **Correction Procedures:**
 - a. Correct all misplaced entries, coding errors, and transcription errors.
 - b. If the tax period is before 201901, delete the field.

3.12.14.22.5
(01-01-2022)

Fields 261IN, 262IN, 263IN and 264IN

- (1) If any of Parts I, II, III or IV have more than one row with tax data present, an indicator will be entered in Fields 261IN (Part I), 262IN (Part II), 263IN (Part III) and 264IN (Part IV).
- (2) **Invalid Condition** - Fields 261IN, 262IN, 263IN and 264IN are invalid if:
 - The field is more than 1 character.
 - The field is not "blank," "0," or "1" (more than one row with no tax data present).
 - The tax period is before 201901.
- (3) **Correction Procedures:**
 - a. Correct all misplaced entries, coding errors, and transcription errors.
 - b. If the tax period is before 201901, delete the field.

3.12.14.22.6
(01-01-2022)

All other Fields in Section 26

- (1) Money Amount fields - Form 8997
- (2) **Invalid Condition** - Money amount fields can only be positive and are invalid if:
 - The field is more than 15 characters.
 - The field is not numeric.
 - The field is not dollars only.
 - The tax period is before 201901.
- (3) **Correction Procedures:**
 - a. Correct all misplaced entries, coding errors, and transcription errors.
 - b. If the tax period is before 201901, delete the field.

3.12.14.23
(01-01-2020)

Section 28 - Form 8960, Net Investment Income Tax-Individuals, Estates, and Trusts

- (1) Section 28 contains data from Form 8960, Net Investment Income Tax-Individuals, Estates, and Trusts.
- (2) All money amounts in Section 28 must be entered as **dollars only**.

3.12.14.23.1
(01-01-2020)

(1) Listed below are the fields contained in Section 28. Data in this section is from Form 8960, **Net Investment Income Tax**:

**Error Record Format -
Section 28**

Field Designators	Maximum Length	Title	Location
2800A	1	Investment income check boxes	Part I, check boxes.
28001	13 +	Taxable interest	Part I, Line 1
28002	13 +	Ordinary dividends	Part I, Line 2
28003	13 +	Annuities	Part I, Line 3
2804A	13 +/-	Rental real estate, royalties, partnerships, S corporations, trusts, etc.	Part I, Line 4a
2804B	13 +/-	Adjustment for Net income or loss	Part I, Line 4b
2805A	13 +/-	Net Gain or Loss from disposition of property	Part I, Line 5a
2805B	13 +/-	Net Gain or Loss not subject to NIIT	Part I, Line 5b
2805C	13 +/-	Adjustment from disposition of partnership or S-Corp stock	Part I, Line 5c
28006	13 +/-	Changes to investment income for certain CFCs and PFICs	Part I, Line 6
28007	13 +/-	Other modifications to investment income	Part I, Line 7
28008	13 +/-	Total investment income	Part I, Line 8
2809A	13 +	Investment interest expenses	Part II, Line 9a
2809B	13 +	State income tax	Part II, Line 9b
2809C	13 +	Miscellaneous investment expenses	Part II, Line 9c
28010	13 +	Additional modifications	Part II, Line 11
28011	13 +	Total deductions and modifications	Part II, Line 11
2818B	13 +	Deductions for distributions of new investment income	Part III, Line 18b

Field Designators	Maximum Length	Title	Location
2819A	13 +	Adjusted gross income tax	Part III, Line 19a
28020	13 +	Enter the smaller of Line 18c or Line 19c	Part III, Line 20
2820V	13 +	ERS Input Only	For manual corrections to total income for Line 20, on Form 1041-QFT Only
28021	13 +	Net Investment Income Tax for estates and trusts	Part III, Line 21

3.12.14.23.2
(01-01-2020)

Invalid Conditions

(1) The following fields will error if not numeric only and positive only.

- 2800A
- 28001
- 28002
- 28003
- 2809A
- 2809B
- 2809C
- 28010
- 28011
- 2818B
- 2819A
- 28020
- 2820V
- 28021

3.12.14.23.3
(01-01-2020)

Correction Procedures

- (1) Correct coding errors, transcription errors and misplaced entries on display fields.
- (2) This section is only valid for tax periods 201411 and later. Delete Section 28 and Field 05G04 on returns before 201411.
- (3) If there is a negative amount in a numeric only and positive only field, delete them except any negative entries in Field 05G04. Change negative entry in Field 05G04 to a positive amount and send TPNC 70 when EC 861 falls out. Then ripple the TPNC 70 when the returns fall out for EC 902.

3.12.14.23.3.1
(01-01-2016)

Field 2800A - Investment Income Check Boxes

(1) This field is one position and numeric only. The values are:

- 0 - No boxes checked.
- 1 - Section 6013(g) election checked.
- 2 - Regulations section 1.144-10(g) election checked.
- 3 - Both boxes checked.

3.12.14.24
(01-01-2024)
**Section 31- Form 8936,
Schedule A - Clean
Vehicle Credits**

- (1) This section has instructions for correcting Section 31 Field Errors.
- (2) All fields in this section are valid for tax period 202301 and subsequent. If the tax period is before 202301, delete any fields in Section 31.

3.12.14.24.1
(01-01-2024)
**Section 31 - Fields
Displayed**

- (1) Section 31 is transcribed from Form 8936, Schedule A, Clean Vehicle Credits (CVC), which may be attached to Form 1041 for tax periods 202301 and subsequent.
- (2) "Vehicle Identification Number" (VIN) fields are alpha/numeric with 17 characters.
- (3) "Placed in Service" dates are numeric only with 8 characters in YYYYMMDD format.
- (4) All money amounts are positive (+) only and are transcribed in dollars only.
- (5) If more than two Schedule As are filed, an indicator will be edited in the right margin of Part I, Line 3.
- (6) Listed below are the fields displayed in Section 31,

Field Designator	Field Length	Valid Entry	Field Title	Location on Form 8936, Schedule A
311VI	17	Alpha/Numeric	Vehicle Identification Number (VIN)	First Schedule A, Part I, Line 2
311DT	8	YYYYMMDD	Placed in service date	First Schedule A, Part I, Line 3
31109	15	Dollars only, Positive	Tentative credit amount	First Schedule A, Part II, Line 9
31111	15	Dollars only, Positive	Credit amount for business use of new clean vehicle	Part II, Line 11
31117	15	Dollars only, Positive	Smaller of Line 15 or Line 16	First Schedule A, Part IV, Line 17
31126	15	Dollars only, Positive	Smaller of Line 24 or Line 25	First Schedule A, Part V, Line 26
311IN	1	"0" or "1"	Indicator field for results of MeF check of VIN against portal	N/A
312VI	17	Alpha/Numeric	Vehicle Identification Number (VIN)	Second Schedule A, Part I, Line 2
312DT	8	YYYYMMDD	Placed in service date	Second Schedule A, Part I, Line 3
31209	15	Dollars only, Positive	Tentative credit amount	Second Schedule A, Part II, Line 9
31211	15	Dollars only, Positive	Credit amount for business use of new clean vehicle	Part II, Line 11

Field Designator	Field Length	Valid Entry	Field Title	Location on Form 8936, Schedule A
31217	15	Dollars only, Positive	Smaller of Line 15 or Line 16	Second Schedule A Part IV, Line 17
31226	15	Dollars only, Positive	Smaller of Line 24 or Line 25	Second Schedule A Part V, Line 26
312IN	1	"0" or "1"	Indicator field for results of MeF check of VIN against portal	N/A
31RDV	15	Dollars only, Positive	ERS input only - verified field for CVC amount	N/A
313IN	1	"0" or "1"	Indicator (More than 2 Schedule As attached)	Second Schedule A, (edited right margin of Part I, Line 3)

(7) **Invalid Condition:**

- The tax period is before 202301.
- Invalid characters.

(8) **Correction Procedures:**

- Correct coding errors, transcription errors, and misplaced entries.
- If the entry on the form contains invalid characters, delete the field.
- If the tax period truly is earlier than 202301, delete all Section 31 entries.

#

1y, and/or line 1aa, and Form 8936, Schedule A is not attached, correspond for the missing Form 8936 Schedule A (unless there is an indication that Code & Edit has already corresponded).

3.12.14.24.2
(01-01-2024)
Fields 311IN and 312IN - VIN Indicator

- (1) When Form 8936, Schedule A is filed with an electronic return, MeF sets a value in one (or both) of these fields to indicate whether the VIN(s) is valid, or not.
- A value of "0" indicates the VIN is valid.
 - A value of "1" indicates the VIN is invalid.

3.12.14.24.3
(01-01-2024)
Field 313IN - More than two Schedule As (Form 8936) Indicator

- (1) An indicator of "1" will be entered in Field 313IN when there are more than two Form 8936, Schedule As attached to the return.
- A value of "0" indicates there are **not** more than two Schedule As present.
 - A value of "1" indicates there are more than two Schedule As present.

3.12.14.25
(01-01-2020)

Priority IV Errors - Error Codes 001 Through 999

- (1) This section contains procedures for Priority IV errors. The errors are displayed with the Error Code for the specific error. The screen display shows the Error Code assigned, computer generated fields identifying computation discrepancies, and the fields needed to make the necessary correction.
- (2) See IRM 3.12.14.7.5, Part IV Errors - Consistency/Math Errors, general definition, display, and correction information.

3.12.14.25.1
(01-18-2023)

◆ Error Code 001 - Tax Year - Invalid Entry ◆

(1) **Fields Displayed**

Field Designator	Field Name	Field Length
01TXP	Tax Period	6
01CCC	Computer Condition Code	10
01RCD	Received Date	8
01RDD>	Return Due Date - Computer	8

- (2) **Invalid Condition** - Error Code 001 will generate when **any** of the following conditions are present:
 - a. **Computer Condition Code “G” is not present** - The processing date is equal to or more than two years and 10 months after the Return Due Date or the Received Date (whichever is later) **and** Computer Condition Code (CCC) “W” is **not** present.
 - b. **Computer Condition Code “G” is Present** - The processing date is equal to or more than two years and 10 months after the Return Due Date **and** CCC “W” is **not** present.
 - c. **“G” Coded and Non-Coded “G” Returns** - The processing date is less than two years after the Return Due Date and CCC “W” is present.
- (3) **Correction Procedures:**
 - a. Correct all misplaced entries, coding and transcription errors.
 - b. Do not send the returns listed in the following table to Statute Control for clearance. Instead, do the following:

Statute Control

If	Then
<ul style="list-style-type: none"> • Return is prepared by Compliance (e.g., IRC 6020(b)), • Return is secured by Examination/ Collections, secured by TE/GE, including TEGE or TEGE Employee Plan (EP) Exam, • Return has a Transaction Code (TC) 59X, • Return has "ICS" (Integrated Collection System) notated on the face of the return, • Return is a Substitute for Return prepared by Examination ("SFR" in the margin) with Form 13133, Expedite Processing Cycle, attached, • Return has a stamp indicating a previous clearance by Statute Control within the last 90 days, • Return is a 2019 or 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 2019 or 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. 	Enter "W" in Field 01CCC and on the return and continue processing.

- c. Compare the displayed fields with the return and attachments. If incorrect, overlay the screen with the correct information.

Error Code 001 Correction Procedures

If...	Then...
Field 01RCD is blank	<ol style="list-style-type: none"> 1. Enter the Received Date in Field 01RCD. Use the earliest date, if multiple Received Dates are present. 2. See IRM 3.12.14.8.9, Field 01RCD - Received Date, to determine the Received Date.
CCC "W" was entered incorrectly	Delete CCC "W" from Field 01CCC.

If...	Then...
The return has a stamp that indicates a previous clearance by Statute Control within the last 90 days	Enter CCC "W" in Field 01CCC and on the return. Note: Do not send the return to Statute Control.
The return is not stamped by Statute Control within the last 90 days	<ol style="list-style-type: none"> 1. Suspend (SSPND) with Action Code 310. 2. Prepare Form 4227, Intra-SC Reject or Routing Slip, to route to Statute Control. <p>Exception: Due to the COVID-19 pandemic and subsequent Submission Processing (SP) and Accounts Management (AM) site closures, SP and AM developed procedures for BMF 2019 and prior year original delinquent returns to bypass AM statute clearance and be processed. In addition, any 2019 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.</p>

(4) **Suspense Correction:**

1. When Statute Control returns the cleared document, enter "W" in Field 01CCC and on the return. Continue processing.
2. Statute Control requests a voided record, SSPND with Action Code 640.

3.12.14.25.2
(03-25-2021)

(1) **Fields Displayed**

◆ **Error Code 002 - Name Control Mismatch** ◆

Field Designator	Field Name	Length
CL	Clear Code	1
01NC	Name Control/Check Digit	4
>>>>	Name Control Underprint	4
01EIN	Employer Identification Number	9
01TXP	Tax Period	6
01RDD>	Return Due Date-Computer	8
01CCC	Computer Condition Code	10
02CON	In-Care-Of Name	35
02FAD	Foreign Address	35
02ADD	Street Address	35
02CTY	City	22
02ST	State	2
02ZIP	ZIP Code	12

Note: The literal Section 02 Not Present will display if no entries are present.

- (2) **Invalid Condition** - Error Code 002 will generate when the Name Control mismatched against the National Account Profile (NAP) or Entity Index File (EIF).
- (3) **Correction Procedures:**
 1. Before taking any additional research steps to resolve Error Code 002, drop the cursor to the bottom of the screen and transmit. This will ensure that any prior changes to the Name Control have posted to the NAP. If Error Code reappears, continue with the remainder of the correction procedures.
 2. When corrections are made to Field 01NC or Field 01EIN, the computer will validate the entries with the NAP and reset the On-Line Entity (OLE) indicators as appropriate upon transmitting the ERS screen.
 3. Correct all misplaced entries, coding errors, and transcription errors.
 4. Compare the displayed fields with the return and attachments. If incorrect, overlay the screen with the correct information.
 5. Refer to all the following research instructions in this error code before taking any action.
 6. If Field 01NC and the Name on the return or attachments are the same but differ from the underprint in Field 01NC, research INOLES to determine the correct Name.

If...	Then...
The Name on the return or attachment matches the Name Control on INOLES,	Bring up underprint.
The Name Control on INOLES is different from the Name on the return or attachment,	Research NAMEB/NAMEE for a new EIN.

7. If a new EIN is located, verify the Name Control using Command Code (CC) INOLES.

If...	Then...
The Name Control on INOLES matches the Name on the return or attachment,	<ol style="list-style-type: none"> 1. Ensure that the entity information matches the return. 2. Overlay Field 01EIN with the new EIN from NAMEB/NAMEE. When the EIN is changed from the one the taxpayer used, issue Letter 3875C, Missing or Incorrect EIN on Return, as a non-suspense letter to the address on the return. <p>Note: Do not send Letter 3875C when any of the following apply:</p> <ul style="list-style-type: none"> • Three or less digits of the EIN are transposed, different, or missing. • INOLES indicates the account has been “merged to” or “merged from.” • EIN is consecutive numbers (e.g., 12-3456789) or repeating numbers (e.g., 11-11111111). • The EIN on the return is the taxpayer’s SSN and research shows there is no valid entity on Master File for that EIN.
Multiple EINs are located,	<ol style="list-style-type: none"> 1. SSPND 320 to Entity Control. 2. Prepare Form 4227 with the notation MULTIPLE EINs.
INOLES indicates a Merge To (MT) EIN,	Research the MT EIN on INOLES.

If...	Then...
The MT EIN matches the entity on the return or attachments,	Enter the MT EIN in Field 01EIN. Note: Do not send Letter 3875C of MT EIN cases.
The MT EIN does not match the entity on the return or attachment,	SSPND 320 to Entity Control.

8. If the Name on the return or attachment does not agree with the Name Control on INOLES or there is an indication of a name change on Form **1041 (Box F)**, research ENMOD for a new name.

If...	Then...
The Name Control on ENMOD matches the Name on the return or attachments,	Enter C in the Clear Code field.
The Name Control on ENMOD or INOLES does not match the Name on the return or attachments,	<ol style="list-style-type: none"> 1. SSPND 320 to route the return to Entity. 2. Attach Form 4227 with the notation No Record.

9. If the Name change has not been made, research ENMOD for a pending TC 013.

If...	Then...
A pending TC 013 is present,	Enter C in the Clear Code field.
A pending TC 013 is not present,	<ol style="list-style-type: none"> 1. SSPND 320 to route to Entity. 2. Attach Form 4227 with the notation Request Name Change (TC 013).

(4) The name control for EINs with the following prefixes:

- 20-xxxxxxx
- 26-xxxxxxx
- 27-xxxxxxx
- 45-xxxxxxx
- 46-xxxxxxx
- 47-xxxxxxx
- 81-xxxxxxx
- 82-xxxxxxx

will be the first four characters of the first name on the Primary Name Line, for trusts, ignoring any leading terms such as "Trust for." For estates, the name control should be the first four characters of the last

name (surname). These EINs were assigned by the Modernized Internet EIN (MOD IEIN) application and can be used for any BMF entity.

Example: MOD IEIN assigned for a trust named Jane Doe Trust - the name control would be JANE.

MOD IEIN assigned for an estate named Jane Doe Estate - the name control would be DOE.

(5) **Suspense Correction -**

1. If there is an indication that Entity Control has assigned an EIN to the return, determine the entity assignment date:

If...	Then...
The entity assignment date is past the Return Due Date or Received Date,	<ol style="list-style-type: none"> 1. GTSEC 01. 2. Enter the entity assignment date in Field 01CRD.
The entity assignment date is not past the Return Due Date and the IRS Received Date,	Continue processing.

2. Research IDRS using CC BMFOL to determine if payments posted incorrectly.

If...	Then...
The payment posted to the wrong EIN,	<ol style="list-style-type: none"> 1. Prepare Form 3465, Adjustment Request, to have the payment transferred to the correct module. 2. Notate on Form 3465, Move Payment To Correct Module, Upon Completion And Release Freeze. 3. Write Form 3465 prepared on the return, to the left of the Entity section. 4. Enter CCC X in Field 01CCC.
The payment posted correctly,	<ol style="list-style-type: none"> 1. Enter the correct EIN in Field 01EIN and on the return. 2. Enter C in the Clear Code field.
Payment cannot be located,	Enter C in the Clear Code field.

3.12.14.25.3
(03-25-2021)

◆ **Error Code 003 -
Check Digit Invalid** ◆

(1) **Fields Displayed**

Field Designator	Field Name	Length
01NC	Name Control	4
01EIN	Employer Identification Number	9

(2) **Invalid Condition** - Error Code 003 will generate when **any** of the following conditions are present:

- A check digit is present but is not valid for the EIN.
- The letters “E”, “G” or “M” (in check digit only) are present in Field 01NC.

(3) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
2. Compare the displayed fields with the return and attachments. If incorrect, overlay the screen with the correct information.

If...	Then...
The check digit in Field 01NC does not match the return or is not legible,	Enter the Name Control from the return in Field 01NC.
The EIN on the return is not legible,	Research IDRS using CC NAMEB/NAMEE for correct EIN.

3. Compare the EIN from NAMEB/NAMEE to the EIN on the return.

If...	Then...
The EIN on Form 1041 matches the EIN on NAMEB/NAMEE,	Enter Name Control from NAMEB/NAMEE in Field 01NC.
Research indicates a different EIN,	Verify the EIN and name on INOLES.
Name Control on INOLES matches the name on the return or attachment,	<ol style="list-style-type: none"> 1. Overlay Field 01EIN with the EIN from INOLES. 2. Issue Letter 3875C, Missing or Incorrect EIN on Return, as a non-suspense letter to the address on the return. <p>Note: Do not send Letter 3875C when any of the following apply:</p> <ul style="list-style-type: none"> • Three or less digits of the EIN are transposed, different, or missing. • INOLES indicates the account has been “merged to” or “merged from.” • EIN is consecutive numbers (e.g., 12-3456789) or repeating numbers (e.g., 11-11111111). • The EIN on the return is the taxpayer’s SSN and research shows there is no valid entity on Master File for that EIN.
Unable to locate an EIN or more than one EIN is located,	<ol style="list-style-type: none"> 1. SSPND 320 to Entity Control. 2. Prepare Form 4227 with the notation “No Record Of EIN”.

(4) **Suspense Correction:**

1. Research IDRS using CC BMFOL to determine if payments posted incorrectly:

If...	Then...
The payment posted to the wrong EIN,	<ol style="list-style-type: none"> 1. Prepare Form 3465, Adjustment Request, to have the payment transferred to the correct module. 2. Notate on Form 3465, "move payment to correct module upon completion and release freeze". 3. Write "form 3465 prepared" on the return, to the left of the Entity section. 4. Enter CCC "X" in Field 01CCC.
The payment posted to the correct EIN,	Enter the correct EIN in Field 01EIN and on the return
Payment cannot be located,	Enter "C" in the Clear Code field.

3.12.14.25.4
(03-25-2021)

◆ **Error Code 004 - Name Control/EIN Validation** ◆

(1) **Fields Displayed**

Field Designator	Field Name	Length
CL	Clear Code	1
01NC	Name Control	4
>>>>	Name Control Underprint	4
01EIN	Employer Identification Number	9
01RDD>	Return Due Date-Computer	8
01CCC	Computer Condition Code	10

(2) **Invalid Condition** - Error Code 004 will generate when **any** of the following conditions are present:

- The EIN is not present at Master File (MF)
- The Entity Index File (EIF) and the National Account Profile (NAP) were not accessed or were not operational causing a blank underprint in Field 01NC

Note: An underprint of XXXX indicates that there is no account on the Master File, while a blank underprint indicates that the NAP has not been accessed or was not operational.

(3) **Correction Procedures:**

1. Before taking any additional research steps to resolve Error Code 004, drop the cursor to the bottom of the screen and transmit. This will ensure that any prior changes to the Name Control/EIN have posted to the NAP. If Error Code 004 reappears, continue with the remainder of the correction procedures.
2. When corrections are made to Field 01NC or Field 01EIN, the computer will validate the entries with the NAP and reset the OLE indicators as appropriate upon transmitting the ERS screen.
3. Correct all misplaced entries, coding errors, and transcription errors.
4. Compare the displayed fields with the return and attachments. If incorrect, overlay the screen with the correct information.
5. Refer to all the following research instructions in this error code before taking any action.
6. If Field 01NC and the Name on the return or attachments are the same but differ from the underprint in Field 01NC, research INOLES to determine the correct Name Control:

If...	Then...
The Name on the return or attachments matches the Name Control on INOLES,	Bring up underprint.
The Name Control on INOLES is different from the Name on the return or attachments,	Research NAMEB/NAMEE for a new EIN.

7. If a new EIN is located, verify the Name Control using CC INOLES.

If...	Then...
The Name Control on INOLES matches the Name on the return or attachments,	<ol style="list-style-type: none"> 1. Ensure that the entity information matches the return. 2. Overlay Field 01EIN with the new EIN from NAMEB/ NAMEE. When the EIN is changed from the one the taxpayer used, issue Letter 3875C, Missing or Incorrect EIN on Return, as a non-suspense letter to the address on the return. <p>Note: Do not send Letter 3875C when any of the following apply:</p> <ul style="list-style-type: none"> • Three or less digits of the EIN are transposed, different, or missing. • INOLES indicates the account has been “merged to” or “merged from.” • EIN is consecutive numbers (e.g., 12-3456789) or repeating numbers (e.g., 11-11111111). • The EIN on the return is the taxpayer’s SSN and research shows there is no valid entity on Master File for that EIN.
Multiple EINs are located,	<ol style="list-style-type: none"> 1. SSPND 320 to Entity Control. 2. Prepare Form 4227 with the notation MULTIPLE EINs.
INOLES indicates a “Merge To” (MT) EIN,	Research the MT EIN on INOLES.
The MT EIN matches the entity on the return or attachments,	Enter the MT EIN in Field 01EIN.
The MT EIN does not match the entity on the return or attachments,	SSPND 320 to Entity Control.

8. If the Name on the return or attachments does not agree with the Name Control on INOLES or there is an indication of a name change on **Form 1041 (Box F)**, research ENMOD for a new name.

If...	Then...
The Name Control on ENMOD matches with the Name on the return or attachments,	Enter a C in the Clear Code field.
The Name Control on ENMOD or INOLES does not agree with the Name on the return or attachments,	<ol style="list-style-type: none"> 1. SSPND 320 to route the return to Entity Control. 2. Attach Form 4227 with the notation NO RECORD.

9. If the Name change has not been made, research ENMOD for a pending TC 013.

If...	Then...
A pending TC 013 is present,	Enter C in the Clear Code field.
A pending TC 013 is not present,	<ol style="list-style-type: none"> 1. SSPND 320 to route to Entity Control. 2. Attach Form 4227 with the notation REQUEST NAME CHANGE TC 013.

(4) **Suspense Correction:**

1. If there is an indication that Entity Control has assigned an EIN to the return, determine the entity assignment date.

If...	Then...
The entity assignment date is past the Return Due Date or IRS Received Date,	<ol style="list-style-type: none"> 1. GTSEC 01. 2. Enter the entity assignment date in Field 01CRD.
The entity assignment date is not past the Return Due Date and IRS Received Date,	Continue processing.

- (5) Research IDRS using CC BMFOL to determine if payments posted incorrectly.

If...	Then...
The payment posted to the wrong EIN,	<ol style="list-style-type: none"> 1. Prepare Form 3465, Adjustment Request, to have the payment transferred to the correct module. 2. Notate on Form 3465, move payment to correct module, upon completion and release freeze. 3. Write Form 3465 prepared on the return, to the left of the entity section. 4. Enter CCC X in Field 01CCC.
The payment posted correctly,	<ol style="list-style-type: none"> 1. Enter the correct EIN in Field 01EIN and on the return. 2. Enter C in the Clear Code Field.
Payment cannot be located,	Enter C in the Clear Code field.

3.12.14.25.5
(11-17-2017)
◆ **Error Code 007 -
Received Date Earlier
Than Tax Year** ◆

(1) **Fields Displayed**

Field Designator	Field Name	Length
01TXP	Tax Period	6
01RCD	Received Date	8
01CCC	Computer Condition Code	10

(2) **Invalid Condition** - Error Code 007 will generate when the Received Date is earlier than the first day of the Tax Period/Year by two months or more.

(3) **Correction Procedures:**

1. Correct all misplaced entries, coding errors, and transcription errors.
2. Compare displayed fields with the return. If incorrect, overlay the screen with the correct information.

If...	And...	Then...
The Received Date is invalid, and it appears that the incorrect year was used (e.g., 20220115 instead of 20230115), and other information (Julian date, postmark date, and/or signature date) indicates that the received date should be a current year,		Change the Received Date year to the current year in Field 01RCD.
The return is an early filed Final return,		<ol style="list-style-type: none"> 1. Change the Tax Period to agree with the month before the Received Date and enter in Field 01TXP. 2. Enter F in Field 01CCC.
The return is not an early filed Final return,	The Tax Period ending is less than four months after the Received Date,	<ol style="list-style-type: none"> 1. SSPND 480. 2. Prepare Form 4227 with the notation EARLY FILED.
The return is not an early filed Final return,	The Tax Period ending is more than four months after the Received Date,	<ol style="list-style-type: none"> 1. Initiate correspondence for clarification of the Tax Period. 2. SSPND 211.

(4) **Suspense Correction:**

If...	Then...
The taxpayer replies that the return is a Final,	<ol style="list-style-type: none"> 1. Change the Tax Period to agree with the month before the Received Date and enter in Field 01TXP. 2. Enter F in Field 01CCC.
The taxpayer replies that the return is not a final return,	SSPND 480 until the end of the tax period provided by the taxpayer.

If...	Then...
The taxpayer fails to reply, or the reply is not adequate,	<ol style="list-style-type: none">1. Enter 3 in Field 01CCC.2. SSPND 480 until the end of the tax period indicated on the return.

3.12.14.25.6
(01-01-2016)
◆ **Error Code 010 -
Amended Return “G”
Coded** ◆

(1) Instructions for **Error Code 010** follow.

3.12.14.25.6.1
(01-01-2020)
**Fields Displayed - EC
010**

(1) Error Code 010 will display the following field:

Field Designator	Field Name	Length
01NC	Name Control	4
>>>>	Name Control- Computer	4
01EIN	Employer Identification Number	9
01TXP	Tax Period	6
>>>>	Tax Period- Computer	2
01FID	Fiduciary Code	1
01TRC	Trust Code	1
01CCC	Computer Condition Code	10
01RCD	Received Date	8
01RDD>	Return Due Date-Computer	8
01FIN	Fiduciary EIN	9
01CBI	Paid Preparer Check Box Indicator	1
01PSN	Preparer PTIN	9
01PEN	Preparer Employer Identification Number	9
01PTN	Paid Preparer Telephone Number	10
01CRD	Correspondence Received Date	8
01ADC	Audit Code	3
01ESB	ESBT Indicator	1
01PII	Pooled Income Fund Indicator	1
01PIC	Penalty and Interest Code	1
01MSC	Missing Schedule Code Reserved	4
01ISI	Installment Sale Indicator	1
01HSC	Historic Structure Code	1
01QNT	Form 1041-QFT - Number of Trusts	6
01EWI	E-file Mandate Waiver Indicator	1

Note: S02DP through S31DP indicate data is present in those sections.

3.12.14.25.6.2
(01-01-2020)

**Invalid Condition - EC
010**

- (1) Error Code 010 will generate when Computer Condition Code **G** is present and fields other than **01NC, 01EIN, 01TXP, 01RCD, 01CCC, 01CRD, and 01EWI** contain entries.

3.12.14.25.6.3
(01-01-2020)

Correction Procedures - EC 010

- (1) Compare screen displayed fields with the return and correct all misplaced entries, coding errors, and transcription errors.
- (2) Determine if CCC G was input correctly:

If...	Then...
Return indicates amended, revised, supplemental, corrected or superseding,	Research the applicable Command Code(s) e.g., BRTVU, BMFOL, SUMRY, and/or TXMOD to determine if information is the same as the posted return.
All information is not the same,	<ol style="list-style-type: none">1. Process the return with CCC G.2. DLSEC to delete all sections except Section 01.3. Delete the invalid entries that are present in Section 01. GTSEC 01, if necessary.
All information is exactly the same,	SSPND 640 and route to Rejects.
A return is not posted for the tax period and the return is an amended return,	Continue processing as an amended return.
A return is not posted for the tax period and the return is not amended (G coded in error),	<ol style="list-style-type: none">1. Enter all data in sections, as needed.2. Ensure that the Section 01 fields are correct.3. Delete the G code in Field 01CCC.

Note: When deleting CCC G and the sections required are shown as being present, no further verification of section entries is needed.

3.12.14.25.7
(01-01-2016)

Error Code 011 - Remittance/No Section 5

- (1) Error Code 011 will display as follows:

Field Designator	Field Name
RMIT>	Remittance
01RCD	Received Date
01CCC	Computer Condition Code

Note: S05DP indicates the Section 05 data is present.

Note: The literal "Section 05 Not Present" will display if no entries are in Section 05.

3.12.14.25.7.1
(01-01-2016)

Invalid Condition - Error Code 011

- (1) Error Code 011 will generate when a Remittance amount is present **but** there is no data in Section 05 and Computer Condition Code "G" **is not** present.

3.12.14.25.7.2
(08-25-2020)

Correction Procedures - Error Code 011

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) If the record required Computer Condition Code "G":
- Enter "G" in Field 01CCC.
- (3) If data is present on Form 1041 for any of the fields in Section 05:
- GTSEC 05.
 - Enter the appropriate data in all applicable fields.
- (4) If no entries are present in Field RMIT> and Field 05B/D **but** the literal "RPS" is present on the top line of the screen display:
- Enter \$.01 in Field 0524.

3.12.14.25.8
(01-01-2016)

♦ Error Code 014 - Missing Address Entries ♦

- (1) **Fields Displayed**

Field Designator	Field Name	Length
02CON	In-Care-Of Name	35
02FAD	Foreign Address	35
02ADD	Street Address	35
02CTY	City	22
02ST	State	2
02ZIP	ZIP Code	12

- (2) **Invalid Condition** - Error Code 014 will generate when **any** of the following conditions is present:

- If the street address is present, Field **02CTY** and Field **02ST** must be present, unless a Major City Code is used.
- If a Major City Code is used, Field **02ADD** must be present.
- A City must be present. If the city is not in the Major City format, Field **02ST** must be present. Field **02 ADD** can be blank.
- A Major City Code is used and Field **02ST** is present.

- (3) **Correction Procedures:**

- Correct all misplaced entries, coding errors, and transcription errors.
- Compare the displayed fields with the return. If incorrect, overlay the screen with the correct information.
- Research using any of the following for valid address information: INOLES, NAMEB/NAMEE, ENMOD, or Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.

If...	And...	Then...
A Major City Code is present,	A street address is not available,	1. Enter the City Name (spelled out, not MCC format) in Field 02CTY . 2. Enter the State Code in Field 02ST .
The Major City Code is correct,	The state is present,	Delete Field 02ST .
The ZIP Code or Address cannot be corrected from the information on the return, attachments or research,		DLSEC 02 .

3.12.14.25.9
(01-01-2016)

◆ **Error Code 015 - Foreign Address/State** ◆

(1) **Fields Displayed**

Field Designator	Field Name	Length
02CON	In-Care-Of Name	35
02FAD	Foreign Address	35
02ADD	Street Address	35
02CTY	City	22
02ST	State	2
02ZIP	ZIP Code	12

(2) **Invalid Condition** - Error Code 015 will generate when any of the following conditions is present:

- Field **02ST** has an entry other than "." (period/space) when Field **02FAD** is present.
- Field **02ZIP** has an entry when a Field **02FAD** is present.

(3) **Correction Procedures:**

- Correct all misplaced entries, coding errors, and transcription errors.
- Compare displayed fields with the return. If incorrect, overlay the screen with the correct information.

If...	Then...
A foreign address is present in Field 02FAD ,	<ol style="list-style-type: none"> Field 02ST must contain “.” (period/space) Delete any entry in Field 02ZIP.
A foreign address is not present in Field 02FAD ,	Check return for foreign address.
A foreign address is present on the return,	<ol style="list-style-type: none"> Enter the foreign address in Field 02FAD. Note: If additional space is required, continue entering the address in Field 02ADD. Field 02CTY must contain the appropriate foreign country code. (Document 7475, State and Address Abbreviations, Major City Codes, ZIP Codes and Countries). Field 02ST must contain “.” (period/space). Delete any entry in Field 02ZIP.
A foreign address is not present on the return,	<ol style="list-style-type: none"> Verify the address on the return is not a foreign address. SSPND 610. Re-number return with domestic DLN.

3.12.14.25.10
(01-01-2016)

◆ **Error Code 016 - ZIP Code/State Mismatch** ◆

(1) **Fields Displayed:**

Field Designator	Field Name	Length
02CON	In-Care-Of Name	35
02FAD	Foreign Address	35
02ADD	Street Address	35
02CTY	City	22
02ST	State	2
02ZIP	ZIP Code	12

(2) **Invalid Condition** - Error Code 016 will generate when the ZIP Code is inconsistent with the Major City Code or State Code.

(3) **Correction Procedures:**

- Correct all misplaced entries, coding errors, and transcription errors.
- Compare displayed fields with the return. If incorrect, overlay the screen with the correct information.

3. Research using any of the following: Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries or INOLES, NAMEB/NAMEE, ENMOD for valid ZIP Code information.

If...	And...	Then...
Unable to determine a valid ZIP Code from the return or attachments,	A valid ZIP Code is found through IDRS research,	Enter the valid ZIP Code found in Field 02ZIP .
Only the first three digits of the ZIP Code can be determined,		Enter 01 in the fourth and fifth position.
A ZIP Code cannot be determined,		Enter the three digits followed by 01 of the ZIP Code listed for the applicable state found in Document 7475 (e.g., 99501 for Alaska)
The address is in a major city,	A Major City Code can be determined,	Enter Major City Code in Field 02CTY .
The address is in a major city,	A Major City Code cannot be determined,	<ol style="list-style-type: none"> 1. Enter the name of the city in Field 02CTY. 2. Enter the State Code in Field 02ST.
The address is not in a major city,		<ol style="list-style-type: none"> 1. Enter the appropriate state abbreviation in Field 02ST. 2. Enter ZIP Code in Field 02ZIP.

4. **APO/DPO/FPO Addresses** - An Army Post Office (APO), Diplomatic Post Office (DPO), or Fleet Post Office (FPO) is **not** a foreign address. The U.S. Postal Service established new address requirements for APO/DPO/FPO addresses.
If an address appears in the old APO/DPO/FPO format, convert to the new State Code abbreviation based on the ZIP Code. For example, APO New York, NY 091XX would be converted to APO AE 091XX. Refer to the APO/DPO/FPO conversion chart below:

ZIP Code	State Code
340	AA
090-098	AE

ZIP Code	State Code
962-966	AP

3.12.14.25.11
(01-01-2016)

**Error Code 026 - Tax
Period**

- (1) Error Code 026 will display as follows:

Field Designator	Field Name
CL	Clear Code
01EIN	Employer Identification Number
01TXP	Tax Period
>>>>	Tax Period - Computer
01CCC	Computer Condition Code
01ADC	Audit Code

3.12.14.25.11.1
(01-01-2016)

**Invalid Condition - Error
Code 026**

- (1) Error Code 026 will generate when **all** the following conditions are present:

- The Tax Period underprint does **not** agree with the month on the Entity Index File.
- CCC "F" or "Y" are **not** present in Field 01CCC.

3.12.14.25.11.2
(01-01-2024)

**Correction Procedures -
Error Code 026**

- (1) Drop the cursor to the bottom of the screen and transmit, additional research is not required. This will ensure that any prior changes to the Tax Period, have posted to the NAP. If Error Code 026 reappears, continue with the remainder of the correction procedures.
- (2) Correct all misplaced entries, coding errors, and transcription errors.
- When corrections are made to Field 01TXP or Field 01EIN, the computer will validate the entries with the NAP and reset the OLE indicators as appropriate upon transmitting the ERS screen.
- (3) Trusts and Estates may file 52-53 week returns. A 52-53 week tax year can end 6 days before the end of the month or 3 days after.

If...	Then...
Tax year ends up to 3 days after the end of the month,	Use the previous month in Field 01TXP. Example: May 2, 2016, becomes 201604

If...	Then...
Tax year ends 6 days before the end of the month,	Use the current month in Field 01TXP. Example: April 24, 2016, becomes 201604

(4) Short period returns may be filed if they met certain qualifications. Acceptable reasons include, but are not limited to, the following:

- IRC 444 - Election of taxable year other than required taxable year.
- IRC 645 - Certain revocable trusts treated as part of estate.
- IRC 671 through IRC 679 - Grantors and others treated as substantial owners.
- IRC 806 - Small life insurance company deduction.
- Treas. Regs. 1.442-1 - Change of annual accounting period.
- Rev. Proc. 76-10 - Group change to annual accounting period.
- Rev. Proc. 85-58 - Changes in accounting periods and accounting methods.
- Rev. Proc. 2006-45 - Changes in accounting periods; automatic approval for flow through entities.

(5) The following table lists the transaction codes and meanings. It is provided as an aid for researching IDRS for this error code.

Transaction Code	Definition
016	Indicates changes to entity data (e.g., filing requirements, fiscal year month. etc.)
052	Reverses TC 053, TC 054 and TC 055
053	Approved Form 1128 to accept change of accounting period.
054	Retained Fiscal Year Month (FYM) (Rev. Proc 87-32)
055	Approved Form 8716 - Election to have tax year other than a required tax year.
057	Generated reversal of TC 054 and TC 055.

(6) For additional correction procedures, see Exhibit 3.12.14-26, Error Code 026 Flowchart - Error Correction Procedures and Exhibit 3.12.14-39, No Reply Procedures.

Caution: If the account indicates there are extensions, payments and/or prepaid credits and the return is for a short period (not initial or final), SSPND 351, and attach Form 4227 to have the credits moved to the correct period before the input of the TC 016 (or follow local procedures).

3.12.14.25.11.3
(01-26-2023)

**Suspense Correction -
Error Code 026**

- (1) See Exhibit 3.12.14-27, Error Code 026 Flowchart - Suspense Correction Procedures.

3.12.14.25.12
(01-01-2016)

**Error Code 030 - Penalty
and Interest Code**

- (1) Error Code 030 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
01RCD	Received Date
01RDD>	Return Due Date - Computer
01CCC	Computer Condition Code
01PIC	Penalty and Interest Code

3.12.14.25.12.1
(01-01-2016)

**Invalid Condition - Error
Code 030**

- (1) Error Code 030 will generate when **all** the following conditions are present:
- Code “1” is present in Field 01PIC (Penalty and Interest Code).

#

3.12.14.25.12.2
(01-01-2016)

**Correction Procedures -
Error Code 030**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
(2) Determine the Received Date as follows:

If...	Then...
Field 01PIC is correct	Enter the correct Received Date.
The correct Received Date is equal to or earlier than the Return Due Date	Delete Code “1” from Field 01PIC.
The Received Date is correct but is later than the Return Due Date	Delete Code “1” from Field 01PIC.
More than one Received Date is present on Form 1041	Use the earliest date.

#

3.12.14.25.13
(01-01-2016)

**Error Code 034 -
Correspondence
Received Date/Received
Date**

- (1) Error Code 034 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
01RCD	Received Date
01RDD>	Return Due Date - Computer
01CRD	Correspondence Received Date

3.12.14.25.13.1
(01-01-2016)

Invalid Condition - Error Code 034

(1) Error Code 034 will generate when **any** of the following conditions are present:

- Field 01CRD is equal to or earlier than Field 01RCD.
- The Correspondence Received Date is later than the processing date.

3.12.14.25.13.2
(01-01-2016)

Correction Procedures - Error Code 034

(1) Correct all misplaced entries, coding errors, and transcription errors.

(2) Field 01CRD will be determined from the date the reply was received in the Submission Processing Campus.

- Determine the correct Correspondence Received Date (CRD) from the stamped date on the correspondence attached to the return.

If...	Then...
The CRD is present and is earlier than or equal to the Received Date or is later than the processing date	Delete the CRD from Field 01CRD.
More than one CRD is present	Enter the earliest date in Field 01CRD.

3.12.14.25.14
(01-01-2024)

Error Code 062 - Low Income Housing

(1) Error Code 062 will display as follows:

Field Designator	Field Name
CL	Clear Code
01TXP	Tax Period
01CCC	Computer Condition Code
2504D	Form 3800, Part III, line 4d, column j.

Note: The literal "Section 23 Not Present" will display if no entries are in Section 23.

3.12.14.25.14.1
(01-01-2016)
**Invalid Condition-- Error
Code 062**

- (1) Error Code 062 will generate when **either** of the following conditions are present:
- An entry is present in Field 2504D **but** an entry of “9” is **not** present in Field 01CCC.
 - A “9” is present in Field 01CCC (Low Income Housing Credit) **but** there is **no** entry in Field 2504D.

3.12.14.25.14.2
(01-01-2022)
**Correction Procedures -
Error Code 062**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) CCC “9” **must** be present in Field 01CCC if an entry is present in Field 2504D.
- If Field 01CCC is blank, enter “9” in Field 01CCC.
- (3) Field 2504D **must** be present if CCC “9” is present in Field 01CCC. If Field 2504D is blank:
- Determine if **any** of the following forms are attached: Form 8586, Form 8609, or Form 8609-A.

If...	Then...
An applicable form is attached,	Enter the amount from the form to Field 2504D.
An applicable form is not attached or Line 2b is blank or zero,	Delete the “9” in Field 01CCC.
Form 8586 is present and Schedule G, Line 2b is blank,	Enter “1” in Field 2504D.

3.12.14.25.15
(01-01-2016)
**Error Code 073 - CCC
“3” and Correspondence
Received Date**

- (1) Error Code 073 will display as follows:

Field Designator	Field Name
01CCC	Computer Condition Code
01CRD	Correspondence Received Date

3.12.14.25.15.1
(01-01-2016)
**Invalid Condition - Error
Code 073**

- (1) Error Code 073 will generate when a “3” is present in Field 01CCC **and** an entry is present in Field 01CRD.

3.12.14.25.15.2
(01-01-2016)
**Correction Procedures -
Error Code 073**

- (1) Correct all misplaced entries, coding errors, and transcription errors.

- (2) If IRS correspondence is attached, determine if a reply has been received from the taxpayer.

If...	Then...
The reply is attached,	Delete the "3" in Field 01CCC.
Reply is not attached,	Delete the entry in Field 01CRD.

3.12.14.25.16
(01-01-2021)

Error Code 162 - Section 07 Total Wages Differ or are Below Minimum Taxable Wages

- (1) Error Code 162 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
0701A	Schedule H - Total Social Security Wages
0701B	Schedule H - Social Security Qualified Sick & Family Leave Wages
0703	Schedule H - Total Medicare Wages

3.12.14.25.16.1
(01-01-2021)

Invalid Condition - Error Code 162

- (1) Error Code 162 will generate when Section 07 is present and **any** of the following conditions are present:

- Field 0701A is greater than zero and less than Schedule H Minimum Wages.
- Field 0703 is greater than zero and less than Schedule H Minimum Wages.
- Field 0701A is greater than Field 0703 by more than \$1.

3.12.14.25.16.2
(01-01-2024)

Correction Procedures - Error Code 162

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- (2) Estates and trusts which employ household employees **must** report household employment wages on Form 1041 if the wages exceed the Schedule H Minimum Wages amount required to be reported for the Tax Year.
- (3) Delete the entry in Fields 0701A and/or 0703 if less than the Schedule H Minimum Wages amount for the Tax Period below.

Tax Period	Delete Fields 0701A and 0703 If:
202312 through 202411	Less than \$2,600
202212 through 202311	Less than \$2,400
202112 through 202211	Less than \$2,300
202012 through 202111	Less than \$2,200
201812 through 202011	Less than \$2,100
201612 through 201811	Less than \$2,000
201412 through 201611	Less than \$1,900
201212 through 201411	Less than \$1,800
200912 through 201211	Less than \$1,700
200812 through 200911	Less than \$1,600
200612 through 200811	Less than \$1,500

- (4) If Field 0701A is **not** present **but** Line 2 contains an entry, divide Line 2c by 12.4% (0.124) (10.4% (0.104) for tax year 2012) and enter the result in Field 0701A.
- (5) If Field 0703 is **not** present **but** Line 4 contains an entry, divide Line 4 by 2.9% (0.029) and enter the result in Field 0703.
- (6) Field 0701A should **never** be larger than Field 0703.
- (7) If Field 0701A is **greater than** Field 0703, determine the correct amounts. If unable to determine, increase Field 0703 so that it is equal to Field 0701A. If Error Code 872 generates, follow correction procedures for EC 872.

3.12.14.25.17
(01-01-2022)

**Error Code 163 - GBC
Claimed Exceed Limits**

- (1) Error Code 163 will display as follows:

Field Designators	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
2301E	Form 3800 - Disabled access credit
2401J	Form 3800 - Credit for small employer pension plan start-up costs and auto-enrollment credit
2401K	Form 3800 - Credit for employer provided childcare facilities and services.

3.12.14.25.17.1
(01-01-2024)

Invalid Condition - Error Code 163

(1) Error Code 163 will generate when any of the following conditions apply:

- Field 2401J, Credit for small employer pension plan startup costs credit
- Field 2401K, Credit for employer provided childcare facilities and

#

3.12.14.25.17.2
(01-01-2016)

Correction Procedures - Error Code 163

(1) Correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
Line 1e,	send TPNC 08.
1j,	send TPNC 08.
Line 1k,	and send TPNC 08.

#

3.12.14.25.17.3
(01-01-2016)

Valid Taxpayer Notice Codes for Error Code 163

(1) Valid TPNCs for Error Code 163 are:

TPNC	Literal
08	The credit claimed was more than the law allows.
90	Blank Notice

3.12.14.25.18
(01-01-2021)

Error Code 174 - Advanced EIC is Greater Than Total Medicare Wages

(1) Error Code 174 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
0703	Schedule H - Total Medicare Wages
0708A	Schedule H - Total SS/Medicare/WH Taxes
0708V	Schedule H - Total SS/Medicare/WH Taxes - ERS verified
0797	Schedule H - Advance EIC
0798	Schedule H - Total SS/Medicare/WH Taxes - 201012 and earlier returns.
0798V	Schedule H - Total SS/Medicare/WH Taxes - 201012 and earlier returns - ERS verified.

3.12.14.25.18.1
(01-01-2016)

Invalid Condition - Error Code 174

- (1) Error Code 174 will generate when Field 0797 is **greater than 20.4% of** Field 0703.

Note: EC 174 does not apply to returns after tax year 2010.

3.12.14.25.18.2
(01-01-2021)

Correction Procedures - Error Code 174

- (1) **EC 174 does not apply to returns after tax year 2010.**
- (2) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.

Caution: Before adjusting Field 0797, **beware** of a misplaced entry or transcription error involving old Line 7. Also, be aware the Advanced EIC credit expired on 12/31/2010.

- (3) Field 0797 **cannot** exceed a certain percentage of wages paid by the employer. If Field 0797 is **greater than** the allowable percentage:

1. Compute the maximum allowable amount by multiplying Field 0703 by 20.4% (0.204) and enter result in Field 0797.

Reminder: The provision for Advance EIC credit expired on 12/31/2010.

2. If Error Code 875 generates, assign TPNC 90 with the following literal: "You figured your household employment taxes incorrectly. The advance earned-income credit payment cannot be more than the appropriate percent of the total wages you paid. We adjusted your schedule h accordingly."

Note: For instructions for correcting Error Code 875, see IRM 3.12.14.25.50, Error Code 875 - Check Schedule H Total Social Security, Medicare, & Withheld Taxes (Field 0798).

3.12.14.25.19

(01-01-2016)

Error Code 175 - Schedule H (Fields 07FIN and 07TTC)

- (1) Error Code 175 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07FIN	Schedule H - FUTA Yes/No Indicator
07TTC	Schedule H - Tentative Credit
07TFW	Schedule H - Total FUTA Wages

3.12.14.25.19.1

(01-01-2016)

Invalid Condition - Error Code 175

- (1) Error Code 175 will generate when **any** of the following conditions is present:

- Field 07FIN is "1" and an entry is **not** present in Field 07TTC.
- Field 07FIN is blank and an entry is present in Field 07TTC.

3.12.14.25.19.2

(01-01-2024)

Correction Procedures - Error Code 175

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- (2) Determine Field 07TTC in the following **priority order**:

If...	Then...
Line 18 is blank or illegible,	Determine Field 07TTC by adding Lines 17(g) and 17(h).
Lines 17(g) and 17(h) are blank,	Enter \$1 in Field 07TTC.

Note: Column (h) can be determined if Columns (c) and (e) have entries.

- (3) If Field 07FIN is blank and an entry is present in Field 07TTC, enter a "1" in Field 07FIN.
- (4) See Exhibit 3.12.14-39 for No Reply Procedures.

3.12.14.25.20

(01-01-2016)

Error Code 176 - Schedule H (Fields 07TTC and 07TFW)

- (1) Error Code 176 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07FIN	Schedule H - FUTA Yes/No Indicator
07TTC	Schedule H - Tentative Credit
07TFW	Schedule H - Total FUTA Wages
07FTV	Schedule H - FUTA Tax Verified

3.12.14.25.20.1 (01-01-2016)
Invalid Condition - Error Code 176

(1) Error Code 176 will generate when Field 07TTC is present **but** Field 07TFW is **not** present.

3.12.14.25.20.2 (01-01-2016)
Correction Procedures - Error Code 176

(1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.

(2) Field 07TFW **must** have an entry present if an entry is present in Field 07TTC. If Field 07TTC has an entry, **but** Field 07TFW is **not** present:

- Determine Field 07TFW by dividing Field 07BAS> (Line 24) by 6.2% (0.062).
- If Field 07TFW still **cannot** be determined, correspond for "Schedule H Total Cash Wages subject to FUTA Tax".

3.12.14.25.20.3 (01-01-2016)
Suspense Correction - Error Code 176

(1) Determine if reply has been received:

If...	Then...
Reply received,	Continue processing based on the information received.
No reply,	<ol style="list-style-type: none"> Enter 3 in Field 01CCC. Enter \$1 in Field 07TFW. GTSEC 07 and enter the Total FUTA Tax in Field 07FTV. <p>Note: See Exhibit 3.12.14-39 for No Reply Procedures.</p>

3.12.14.25.21 (01-01-2016)
Error Code 177 - Schedule H State Code

(1) Error Code 177 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07FIN	Schedule H - FUTA Yes/No Indicator
07SC1	Schedule H - State Code 1
07SC2	Schedule H - State Code 2
07SC3	Schedule H - State Code 3
07SC4	Schedule H - State Code 4
07SC5	Schedule H - State Code 5

3.12.14.25.21.1
(01-01-2016)

Invalid Condition - Error Code 177

- (1) Error Code 177 will generate when any of Fields 07SC1 through 07SC5 are present, **and** the preceding State Code Field is **not** present.

Example: If Field 07SC2 is present, Field 07SC1 **must** be present; if Field 07SC3 is present, Field 07SC2 **and** Field 07SC1 **must** be present; etc.

3.12.14.25.21.2
(01-01-2016)

Correction Procedures - Error Code 177

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- (2) State Codes **must** be present in field order (Field 07SC1 through 07SC5).
- Arrange State Codes from Field 07SC1 through Field 07SC5.

3.12.14.25.22
(01-01-2016)

Error Code 181 - Schedule H

- (1) Error Code 181 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
02CTY	City
02ST	State
07FIN	Schedule H - FUTA Yes/No Indicator
07SC1	Schedule H - State Code 1
07TTC	Schedule H - Tentative Credit
07TFW	Schedule H - Total FUTA Wages
07FTV	Schedule H - FUTA Tax Verified

3.12.14.25.22.1
(01-01-2016)

Invalid Condition - Error Code 181

- (1) Error Code 181 will generate when **any** of the following conditions is present:
- Field 07SC1 is present and is **not** "ZZ" **and** Field 07TFW is **not** present.
 - Field 07SC1 is **not** present and an entry is present in Field 07TFW.

Note: If Field 07TFW is present **but** Field 07SC1 is **not** present, Code & Edit will edit the State Code that corresponds with the taxpayer's address listed in the entity portion of the return.

3.12.14.25.22.2
(04-12-2021)

Correction Procedures - Error Code 181

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- (2) If Field 07TFW (cash wages) is blank **but** an entry is present on the corresponding tax line on the form, back into the wage amount and enter into Field 07TFW. (For example, on revision 2020, if line 15 is blank, but there is an amount on line 16, divide that amount by 0.006 and enter into 07TFW).
- (3) If Field 07TFW still **cannot** be determined, correspond for Schedule H Total Cash Wages subject to FUTA Tax.

Note: Correspond for any other missing items, as necessary. **However**, Line 19 (Field 07TTC) can be determined by adding Lines 18(g) and 17(h).

- (4) If Field 07TFW is blank and Field 07SC1 is present **but** the employer has **not** computed and does not owe FUTA Tax:

- Delete the State Code from Field 07SC1.

- (5) See IRM 3.12.14.13.3.26, Field 07TTC - Schedule H Tentative Credit, for further information.

3.12.14.25.22.3

(01-01-2016)

**Suspense Correction -
Error Code 181**

- (1) Determine if reply has been received:

If...	Then...
Reply received,	Continue processing based on the information received.
No reply,	<ol style="list-style-type: none"> 1. Enter 3 in Field 01CCC. 2. Enter \$1 in Field 07TFW. 3. When Error Code 878 displays, enter the Total FUTA Tax amount (from Line 16 or 24) in Field 07FTV.

3.12.14.25.23

(01-01-2016)

**Error Code 183 -
Schedule H Credits**

- (1) Error Code 183 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07TCR	Schedule H - Total Credit Reduction Amount
07CC1	Schedule H - Credit Reduction State 1
07CW1	Schedule H - Credit Reduction Wages
07CC2	Schedule H - Credit Reduction State 2
07CW2	Schedule H - Credit Reduction Wages 2
07CC3	Schedule H - Credit Reduction State 3
07CW3	Schedule H - Credit Reduction Wages 3
07CC4	Schedule H - Credit Reduction State 4
07CW4	Schedule H - Credit Reduction Wages 4
07CC5	Schedule H - Credit Reduction State 5
07CW5	Schedule H - Credit Reduction Wages 5

3.12.14.25.23.1
(01-01-2016)

Invalid Condition - Error Code 183

(1) Error Code 183 will generate when **any** of the following conditions is present:

- Any of Fields 07CC1 through 07CC5 is **not** a valid Credit Reduction State. See Exhibit 3.12.14-44, Tax Years and Credit Reduction States for a listing.
- Any of Fields 07CC1 through 07CC5 is present **but** an entry is **not** present in the corresponding Field 07CW1 through 07CW5.
- Any of Fields 07CW1 through 07CW5 is present **but** an entry is **not** present in the corresponding Field 07CC1 through 07CC5.
- The same Credit Reduction State is present more than once in Fields 07CC1 through 07CC5.

3.12.14.25.23.2
(01-01-2016)

Correction Procedures - Error Code 183

(1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.

(2) Ensure that there are entries in the following fields:

- 07FIN entry must be 1
- 07CC1
- 07CW1
- 07TCR (if blank, enter \$1)

This will ensure the computer can make the correct computations for credit reduction states.

(3) When entering information to Fields 07CW1 through 07CW5, ensure that the Credit Reduction Wages are associated with the corresponding State Code.

Example: Assume that New York is a Credit Reduction State and California is not. An employer who moved from California to New York may have a Schedule H completed with "CA" in Field 07SC1 and "NY" in Field 07SC2. If Credit Reduction Wages are listed (Line 17(b)) from New York, enter the Credit Reduction Wages in Field 07CW2; Field 07CW1 would be blank because "CA" is not a Credit Reduction State.

3.12.14.25.24
(01-01-2016)

Error Code 184 - Schedule H Credits

(1) Error Code 184 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07TCR	Schedule H - Total Credit Reduction Amount
07CC1	Schedule H - Credit Reduction State 1
07CW1	Schedule H - Credit Reduction Wages 1
07CC2	Schedule H - Credit Reduction State 2
07CW2	Schedule H - Credit Reduction Wages 2
07CC3	Schedule H - Credit Reduction State 3
07CW3	Schedule H - Credit Reduction Wages 3
07CC4	Schedule H - Credit Reduction State 4
07CW4	Schedule H - Credit Reduction Wages 4
07CC5	Schedule H - Credit Reduction State 5
07CW5	Schedule H - Credit Reduction Wages 5

3.12.14.25.24.1
(01-01-2016)

Invalid Condition - Error Code 184

- (1) Error Code 184 will generate when **any** of the following conditions is present:
- Field 07TCR is present **but** an entry is **not** present in any of Fields 07CW1 through 07CW5.
 - Any of Fields 07CW1 through 07CW5 are present **but** an entry is **not** present in Field 07TCR.
 - Field 07SC1 through 07SC5 has the abbreviation for any state that is a Credit Reduction State.

3.12.14.25.24.2
(01-01-2016)

Correction Procedures - Error Code 184

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- (2) If Field 07SC1 has a state that is subject to credit reduction, ensure that there are entries in the following fields:
- 07FIN - entry must be 1
 - 07TTC - if blank, enter .054 of Field 07TFW
 - 07TCR - if blank, enter \$1
 - Any credit reduction states in 07CC1 through 07CC5
 - Applicable credit reduction wages in 07CW1 through 07CW5

This will ensure the computer can make the correct computations for credit reduction states.

- (3) If there are no Credit Reduction States, delete all Credit Reduction related entries.
- (4) If there are Credit Reduction States in Fields 07SC1 - 07SC5, but no Credit Reduction Wages and it ripples to EC 878 send TPNC 60.

3.12.14.25.25
(01-01-2016)

Reserved

- (1) Reserved for future use.

3.12.14.25.26
(01-01-2016)

**Error Code 188 -
Schedule H (07ASI
without 07SC5)**

- (1) Error Code 188 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07ASI	Schedule H - More Than 5 States Indicator
07SC5	Schedule H - State Code 5

3.12.14.25.26.1
(01-01-2016)

**Invalid Condition - Error
Code 188**

- (1) Error Code 188 will generate when Field 07ASI is present and Field 07SC5 is **not** present.

3.12.14.25.26.2
(01-01-2016)

**Correction Procedures -
Error Code 188**

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- Determine the accuracy of the entries to Fields 07SC1 through 07SC5 as well as Field 07ASI.
- (2) Field 07ASI is an **ERS Input Only** field which is entered when entries are already present in all Fields 07SC1 through 07SC5 **and** there are six or more State Codes listed on Schedule H.

3.12.14.25.27
(01-01-2016)

**Error Code 830 - 01FID
blank**

- (1) Error Code 830 will display as follows:

Field Designator	Field Name
01FID	Fiduciary Code
01TRC	Trust Code
01PII	Pooled Income Fund Indicator

3.12.14.25.27.1
(01-01-2016)

**Invalid Condition - Error
Code 830**

- (1) Error Code 830 generates when Field 01FID (Fiduciary Code) is blank.

3.12.14.25.27.2
(01-01-2024)

**Correction Procedures -
Error Code 830**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) For detailed procedures for determining the Fiduciary and Trust Codes, see IRM 3.12.14.8.6, Field 01FID - Fiduciary Code and IRM 3.12.14.8.7, Field 01TRC - Trust Code.

Note: The table below shows fiduciary codes and exemption amounts per return type.

Type of Return	Fiduciary Code	Trust Code	Exemption Amount
Decedent's Estate	1	-	\$600
Simple Trust	2	-	\$300
Grantor Trust (Partially Taxable)	2	3	\$100 or \$300
Complex Trust	3	-	\$100 or \$300
Generation Skipping Trust	3	1	\$100 or \$300
Grantor Trust (Non-Taxable)	4	3	\$0
Bankruptcy Estate - Ch. 7	5	-	\$0
Bankruptcy Estate - Ch. 11	6	-	\$0.00
Qualified Disability Trust- IRC 642(b)(2)(C)	8	-	\$4,700 (\$4,400 for tax year 2022) (\$4,300 for tax years 2020 through 2021)
Non-Exempt Charitable or Split Interest Trust Described in IRC 4947(a)(2)	9	-	\$100 or \$300

Caution: Taxpayers are told to check the ESBT (S portion only) box, in Section A when ESBT tax applies. If ESBT box is checked, a 1 should be in Field 01ESB.

If...	Then...
The exemption amount on Line 21, agrees with the entity information,	Enter the correct codes in Fields 01FID and/or 01TRC (do not change the Exemption amount).
There is no exemption amount on Line 21 and no type of entity box is checked,	Determine the correct code by using the name line or research INOLE. Enter the correct codes in Fields 01FID and/or 01TRC

(3) If Field 01FID is blank, check Form 1041 to determine the correct Fiduciary and Trust codes:

- If the **“Decedent’s Estate”** box is checked, enter **“1”** in Field 01FID.
- If the **“Simple Trust”** box is checked, enter **“2”** in Field 01FID.
- If the **“Grantor Trust”** box is checked, determine as follows:

If...	Then...
There is an entry on Line 24 of Form 1041 (a taxable return)	1. Enter 2 in Field 01FID. 2. Enter 3 in Field 01TRC.
There is no entry on Line 24 of Form 1041 (a non-taxable return)	1. Enter 4 in Field 01FID. 2. Enter 3 in Field 01TRC.

Exception: If the taxpayer has notated “Receivership,” “Nominee,” “Substantial Owner,” (“Charitable Remainder,” “GNMA Pool,” or “IR Reg. 671 And 678),” code as a Grantor Trust.

- If the **“Complex Trust”** box is checked, enter **Fiduciary Code “3”** in Field 01FID.
- Code **Testamentary Trust** returns as follows:

If...	Then...
Current year Form 1041 with “Testamentary Trust” notated and the “Simple Trust” box checked	Enter “2” in Field 01FID.
Current year Form 1041 with “Testamentary Trust” notated and the “Complex Trust” box is checked	Enter “3” in Field 01FID.
Current year Form 1041 with a notation “Testamentary Trust” and Section “A” (Type of Entity) is left blank	Enter “3” in Field 01FID.

- If Form 1041 is received claiming to be a **“Generation Skipping Trust,”** enter **“3”** in Field 01FID and **“1”** in Field 01TRC. The “Generation Skipping Trust” can be claimed in **any** of the following ways:

If...	Then...
Tax Year 1997 and later	Filers may submit a current year Form 1041 with either of the following: <ul style="list-style-type: none"> The Yes Box checked on Line 9 of the Other Information Section (Bottom of Page 2). Either a notation or a hand-drawn check box claiming to be a Generation Skipping Trust.
Tax Years 1986-1996	Filers may submit either: <ul style="list-style-type: none"> A prior year Form 1041 with the Generation Skipping Trust box checked. A Tax Year 1997 or subsequent Form 1041 with either of the following: <ul style="list-style-type: none"> The Yes Box checked on Line 9 of the Other Information Section (Bottom of Page 2). Either a notation or a hand-drawn check box claiming to be a Generation Skipping Trust

- If the “**Pooled Income Fund**” box is checked:

If...	Then...
Only the “Pooled Income Fund” box is checked (with or without prior correspondence)	<ol style="list-style-type: none"> Enter 3 in Field 01FID. Enter 1 in Field 01PII.
The “Pooled Income Fund” and “Non-Exempt Charitable and Split Interest Trust described in Section 4947(a)(2)” boxes are both checked (with no prior correspondence)	<ol style="list-style-type: none"> Enter 9 in Field 01FID. Enter 6 in Field 01ADC.
The “Pooled Income Fund” and “Non-Exempt Charitable and Split Interest Trust described in Section 4947(a)(2)” boxes are both checked, and the taxpayer had previously failed to reply to correspondence for missing information regarding his/her eligibility to file a fiscal year return and they do not fall under any of the following Sections: <ul style="list-style-type: none"> IRC 501(a) IRC 4947(a)(1) IRC 443(b)(2) IRC 671 through IRC 679 	<ol style="list-style-type: none"> Enter 9 in Field 01FID. Follow the procedures in IRM 3.12.14.8.16, Field 01ADC - Audit Codes. Use these procedures to determine the proper Audit Code to enter when the taxpayer is ineligible to file a fiscal year. <p>Note: Enter Audit Code “6” in Field 01ADC if the “Section 4947(a)(2)” box in Section E is checked.</p>

- If the **“Qualified Disability Trust”** box is checked **or** “Section 642(b)(2)(C)” is notated on the dotted portion of Line 21 and Field 0421 contains an entry of \$4,700 or less, enter “8” in Field 01FID.
- If a current year return is received with a notation that it is for a **“FAMILY ESTATE TRUST,”** enter “4” in Field 01FID and “4” in Field 01TRC. However, if the **“Grantor Trust”** box is checked, enter trust code “3” in Field 01TRC.
- If the taxpayer has notated **“GNMA Pool,”** enter “4” in Field 01FID and “3” in Field 01TRC (a Grantor Trust return).

Note: In addition to GNMA POOL, other terms used to indicate a Grantor Trust return are: Revocable Trust; Substantial Owner; Charitable Remainder; Qualified/Pre-Need Funeral Trust; All Income Reported On Form 1040; Qualified Sub-Chapter ‘S’ Trust (QSST); or Sections 671 Through 679 of the Internal Revenue Code.

- If the **“Bankruptcy Estate - Ch. 7”** box is checked, enter “5” in Field 01FID.
- If the **“Bankruptcy Estate - Ch. 11”** box is checked, enter “6” in Field 01FID.

Note: If no boxes are checked and the name line indicates a **“Bankruptcy Estate,”** input “5” in Field 01FID.

- If the **“Described in Section 4947(a)(2)”** box is checked, enter “9” in Field 01FID and enter “6” in Field 01ADC.

Reminder: Always enter “9” in Field 01FID even if another box was checked.

- (4) If **multiple boxes** are checked in A (including the “Grantor Type Trust” box) and the type of return **cannot** be determined from the Name Line, Exemption Amount (Line 21), or from the attachments or notations on the return, determine as follows:

If...	Then...
Any of the multiple box entries includes "Non-Exempt Charitable and Split Interest Trust" in Section E of Form 1041	<ol style="list-style-type: none"> 1. Enter 9 in Field 01FID. 2. Enter 6 in Field 01ADC.
Any of the multiple box entries includes "Pooled Income Fund" but not "Non-Exempt Charitable and Split Interest Trust, Described in Section 4797(a)(2)"	Enter "1" in Field 01PII.
The filer has indicated that the return is for a "GNMA Pool"	<ol style="list-style-type: none"> 1. Enter 4 in Field 01FID. 2. Enter 3 in Field 01TRC. 3. Enter both codes on Form 1041.
An entry is not present on Line 24 (a non-taxable return) and any boxes other than the "Decedent's Estate", "Simple Trust", or "Complex Trust" boxes are checked	Enter "4" in Field 01FID.

(5) If **no boxes** are checked in part A...

If	Then
No boxes are checked in part A of the entity section of the return and the type of return cannot be determined from the Name line, Exemption amount, or a notation on the return indicating the entity type,	Enter "3" in Field 01FID.

Note: For detailed procedures for determining the Fiduciary and Trust Codes, see IRM 3.12.14.8.6, Field 01FID - Fiduciary Code, and IRM 3.12.14.8.7, Field 01TRC - Trust Code.

3.12.14.25.28
(01-01-2016)

**Error Code 832 -
Fiduciary/Trust Code**

(1) Error Code 832 will display as follows:

Field Designator	Field Name
01FID	Fiduciary Code
01TRC	Trust Code

3.12.14.25.28.1
(01-01-2016)

Invalid Condition - Error Code 832

- (1) Error Code 832 will generate when the Fiduciary Code is “1”, “5”, “6”, “8”, or “9” **and** a Trust Code is present.

3.12.14.25.28.2
(01-01-2016)

Correction Procedures - Error Code 832

- (1) Correct all misplaced entries, coding errors, and transcription errors.
(2) Delete Field 01TRC if the Fiduciary Code “1”, “5”, “6”, “8”, or “9” is present and valid.

3.12.14.25.29
(01-01-2016)

Error Code 834 - TIN issues

- (1) Error Code 834 will display as follows:

Field Designator	Field Name
01EIN	Employer Identification Number
01PSN	Preparer PTIN
01PEN	Preparer EIN

3.12.14.25.29.1
(01-01-2016)

Invalid Condition - Error Code 834

- (1) Error Code 834 will generate when **either** Field 01PSN or Field 01PEN is the same as Field 01EIN.

3.12.14.25.29.2
(01-01-2016)

Correction Procedures - Error Code 834

- (1) Correct all misplaced entries, coding errors, and transcription errors.

3.12.14.25.30
(01-01-2019)

Error Code 836 - Credit Elect

- (1) Error Code 836 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
01CCC	Computer Condition Code
0530A	Credit Elect
0530B	Refund

3.12.14.25.30.1
(01-01-2020)

Invalid Condition - Error Code 836

- (1) Error Code 836 will generate when Field 0530A is present with Computer Condition Code “F”.

3.12.14.25.30.2
(01-01-2020)

**Correction Procedures -
Error Code 836**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) If Form 1041 is a true "Final" return:
 1. Delete the amount in Field 0530A.
 2. Enter that amount in Field 0530B.

3.12.14.25.31
(01-01-2020)

**Error Code 839 -
Bankruptcy**

- (1) Error Code 839 will display as follows:

Field Designator	Field Name
CL	Clear Code
01FID	Fiduciary Code
01TXP	Tax Period
01CCC	Computer Condition Code
01ADC	Audit Code
05QTX	QFT Tax
05QC	QFT Credits
0524	Total Tax
05MCT	Manually Corrected Tax

Note: The literal "section 05 not present" will display if no entries are in Section 05.

3.12.14.25.31.1
(01-01-2016)

**Invalid Condition - Error
Code 839**

- (1) Error Code 839 will generate when Fiduciary Code "5" (Bankruptcy Estate - Ch. 7) or "6" (Bankruptcy Estate - Ch. 11) is present.

3.12.14.25.31.2
(01-01-2024)

**Correction Procedures -
Error Code 839**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) Enter "5" in Field 01FID when **any** of the following conditions occur:
 - the "Bankruptcy Estate - Ch. 7" box is checked.
 - The Name line indicates the return is for a "Bankruptcy Estate".
 - The Personal Exemption line (of the Form 1040) has more than the amount allowed for the Tax Period (see (8), below).
- (3) Enter "6" in Field 01FID when the "Bankruptcy Estate - Ch 11" box is checked.

Caution: If either Form 1065 or Form 1120 Series return or any other income tax return **other than** Form 1040 is attached, process as instructed in (14), below.

- (4) If the Fiduciary Code is determined to be other than "5" or "6":
 - Correct Field 01FID. For additional instructions, IRM 3.12.14.8.6, Field 01FID - Fiduciary Code.

- (5) One of the "Bankruptcy Estate" boxes should be checked, and Form 1040 attached when Form 1041 is being filed for an individual involved in bankruptcy proceedings under Chapter 7 or 11 of Title 11 of the United States Code.

Exception: If the entity section (top of Form 1041) indicates that the return has been filed for a partnership or corporation, process as instructed in (14), below.

If...	Then...
The "Bankruptcy Estate" box is checked, or Form 1040 is attached	<ol style="list-style-type: none"> Do not detach Form 1040. Note: Form 1041 is used as a transmittal form for Form 1040. This supports entries on Lines 24 through 30 of Form 1041. If the taxpayer submits Form 1040 and it is determined that it is not relating to the bankruptcy, SSPND 211 and correspond with the taxpayer using the applicable paragraph in the 177C letter. <ul style="list-style-type: none"> Upon reply, continue processing based on the information received. If no reply, enter 3 in Field 01CCC and continue processing the return.
Form 1040 is not attached, and either of the following conditions exist: <ul style="list-style-type: none"> An entry is present on any of Lines 24 through 30; or Line 9 of Form 1041 indicates Gross Income greater than the applicable Tax Period Personal Exemption amount plus the Standard Deduction, 	<ol style="list-style-type: none"> SSPND 211. Correspond with the taxpayer using the applicable paragraph in the 177C Letter. Note: If Form 1041 has two Names in the caption, follow the instructions in Item (15), below for Joint-Filed Bankruptcy Returns. <ul style="list-style-type: none"> Upon reply, continue processing based on the information received. If the taxpayer submits Form 1040 and it is determined that it is not relating to the bankruptcy, process as instructed in the Then box above. If no reply, enter 3 in Field 01CCC and continue processing based on the original return.

If...	Then...
<p>Form 1040 is not attached, and both of the following conditions do exist:</p> <ul style="list-style-type: none"> • Lines 24 through 30 of Form 1041 have no significant entries. • Line 9 of Form 1041 indicates Gross Income less than the applicable Tax Period Personal Exemption amount plus the Standard Deduction, 	<p>Enter "C" in the Clear Code field.</p>

- (6) Entries on Form 1040 will be supported by the appropriate forms and/or schedules as required. (i.e., Business Income - Schedule C, Farm Income - Schedule F, Foreign Tax Credit - Form 1116)

Note: For chapter 11 bankruptcy estates cases commenced by individuals on or after October 17, 2005, the return should include a statement allocating post-petition income and withheld taxes between the estate and the debtor, as required by section 6.03 of Notice 2006-83.

- If the supporting schedules or forms are missing, correspond.

If...	Then...
Reply received	Continue processing based on the information received.
No reply	<ol style="list-style-type: none"> 1. Enter 3 in Field 01CCC. 2. Continue processing based on the information contained on Form 1040.

- (7) Transfer any amounts present on Lines 16 through 24 of Form 1040 (Lines 57 through 76 of Form 1040 for TY 2017) to corresponding Lines 24 through 30 of Form 1041 and to Fields 0524 through 05B/D.

Note: For prior year returns, match the 1040, 1040A, or 1040EZ line descriptions to the line descriptions on the Form 1041.

Exception: Do **not** include any amounts for Earned Income Credit or Making Work Pay Credit.

Form 1041	Form 1040	Form 1040A	Form 1040EZ	Description
05G1A	Line 16	Line 28		Gross Tax
05G1C	Line 1, Schedule 2 (Form 1040)		N/A	Alternative Minimum Tax
05G1D	Line 18	N/A	N/A	Schedule G Tax
05G2A	Line 1, Schedule 3 (Form 1040)	N/A	N/A	Foreign Tax Credit
05G2B	Line 38, Form 3800	N/A	N/A	General Business Credit
05G2C	Line 25, Form 8801	N/A	N/A	Prior Year Minimum Tax Credit
05G05	Line 12, Schedule 2 (Form 1040)	N/A	N/A	Net Investment Income Tax
05G2N	Line 19, Form 1040, plus lines 2+3+4+ 5a+5b+7, Schedule 3	Line 36	N/A	Other Non-Business Credit
05GIC (Rev. 2023 and subsequent)	Line 17a, (ICR) Schedule 2 (Form 1040)	N/A	N/A	Recapture Taxes (ICR, Form 4255)
05GLH (Rev. 2023 and subsequent)	Line 16, Schedule 2 (Form 1040)	N/A	N/A	Recapture Taxes (Form 8611)
05G06	Line 17a, (other than ICR) Schedule 2 (Form 1040)	N/A	N/A	Other Recapture Taxes (other than ICR)

Form 1041	Form 1040	Form 1040A	Form 1040EZ	Description
0507	Line 9, Schedule 2 (Form 1040)	N/A	N/A	Household Employment Taxes
05G08	Line 4+7+8+10+11+13+14+15+17b through 17z, Schedule 2 (Form 1040)	Line 38	Line 11	Schedule G other Taxes
05G10	Line 26	Line 41	N/A	Estimated Tax Payments Applied
05G13	Line 10, Schedule 3 (Form 1040)	N/A	N/A	Amount Paid With Extension
05G14	Line 25d	Line 40	Line 7	Federal Income Tax Withheld
0516A, Schedule G	Line 13a, Schedule 3 (Form 1040)	N/A	N/A	Payment From Form 2439
05G17 (Rev. 2020 - 2022)	Line 13b, Schedule 3 (Form 1040)	N/A	N/A	Qualified Sick & Family Leave Credit Schedule H for leave taken before April 1, 2021
0518A (Rev. 2021 - 2022)	Line 13h, Schedule 3 (Form 1040)	N/A	N/A	Qualified Sick & Family Leave Credit Schedule H for leave taken after March 31, 2021, and before October 1, 2021
0518B (Rev. 2020 only)	Line 12e, Schedule 3 (Form 1040, TY2020 only)	N/A	N/A	Deferral Social Security Taxes Schedule H
0524	Line 24	Line 39	Line 12	Total Tax

Form 1041	Form 1040	Form 1040A	Form 1040EZ	Description
0525	Line 20, Schedule 2 (Form 1040)	N/A	N/A	Net 965 Tax Liability Paid
0526	Line 33	Line 46	Line 9	Total Payments
0527	Line 38	Line 51	N/A	Estimated Tax Penalty
05B/D	Line 37/34	Line 50/47	Line 14/13a	Balance Due/Overpayment
0530A	Line 36	Line 49	N/A	Credit Elect
0530B	Line 34 minus Line 36	Line 47 minus Line 49	Line 13a	Net Refunded

(8) Total Tax must be **manually computed** on Form 1040.

- a. If the paragraph (5) above does not apply, manually compute total tax for line 24, Form 1041 using the information from Form 1040.
 - b. Enter the manually computed amount into Field 05MCT.
1. The estate is allowed to claim a Standard Deduction or Itemized Deductions on Schedule A (Form 1040). If the estate has claimed **more than** the allowable deduction amount, recompute the Taxable Income. Determine the allowable Standard Deduction amount from the chart below:

Tax Year Beginning	Standard Deduction
2023	\$13,850
2022	\$12,950
2021	\$12,550
2020	\$12,400
2019	\$12,200
2018	\$12,000
2017	\$6,350
2015 and 2016	\$6,300
2014	\$6,200
2013	\$6,100
2012	\$5,950
2011	\$5,800
2010	\$5,700
2009	\$5,700
2008	\$5,450
2007	\$5,350

2. The estate is allowed to claim a **Personal Exemption** for TY 2017 and prior. If the estate has claimed **more than** the allowable Exemption amount, recompute the Taxable Income. Determine the allowable Personal Exemption amount from the chart below:

Tax Year Beginning	Personal Exemption
2020	\$0
2019	\$0
2018	\$0
2016 and 2017	\$4,050
2015	\$4,000
2014	\$3,950
2013	\$3,900
2012	\$3,800
2011	\$3,700
2010	\$3,650
2009	\$3,650
2008	\$3,500
2007	\$3,400
2006	\$3,300

#**Exception:** If Schedule D Tax is used (indicated by an entry on Line 6,#
#

1040 to Field 05MCT

4. Use the "Bankruptcy Estate" Tax Rates from Form 1040 for the applicable Tax Year. See Exhibit 3.12.14-32, Bankruptcy Estate Tax Rate Schedule.
 5. Enter the manually computed Total Tax in Field 05MCT.
 6. When the screen reappears, enter a "C" in the Clear Code Field.
 7. When Error Code 887 generates, assign TPNC 05.
- (9) If the taxpayer's Tax and the manually computed Total Tax are zero, enter a "C" in the Clear Code Field.

Note: In the case of a taxpayer error on a manual computation return, if the tax examiner's computation disagrees with **both** the computer-generated amount **and** the taxpayer's amount, the "Rule of Two" is not satisfied until a second examiner's computation arrives at the same results as the first examiner's computation.

- (10) **Prompt Assessment Returns (Form 4810)** - When information on a return indicates that a request for "PROMPT ASSESSMENT" is made on Form 4810, Request for Prompt Assessment Under Internal Revenue Code 6501(d) is attached, determine if there is a "4" in Field 01ADC.

If...	Then...
A "4" is present in Field 01ADC	No further action is necessary.
A "4" is not present in Field 01ADC	<ol style="list-style-type: none"> 1. Photocopy Form 1041 and related attachments. 2. Notate "photocopy - do not process" at the top of the photocopied Form 1041. 3. Expedite the photocopy package to the Examination/Audit Support function. 4. Enter 4 in Field 01ADC.

- (11) **Prompt Determination Requests** - If a request for "Prompt Determination under Section 505(b) of the U.S. Bankruptcy Code" is attached to the return and addressed to the Submission Processing Campus, The Tax Examiner (TE) should determine if the request and return has been processed through the Centralized Insolvency Operation (Rev. Proc. 2006-24):

If...	Then...
There is any indication that the request has been processed through the Centralized Insolvency Operation (CIO)	Continue processing the return.
There is no indication that the request has been processed through CIO,	<ol style="list-style-type: none"> 1. Photocopy the return and attachments, mark the copy "Photocopy - do not process" and forward the copy to CIO at 2970 Market Street, Stop 5-Q30.133 Philadelphia, PA 19104-5016. 2. Edit audit trail in the left-hand margin of the Form 1041 "Copy sent to Insolvency". 3. Continue processing the original return.

- (12) **Chapter 12 (Farmer Bankruptcy) Cases** - If the entity information contains a statement indicating the bankruptcy is from a "CHAPTER 12 (Farmer Bankruptcy)":

1. Take the necessary action to cancel the DLN and return Form 1041 to the taxpayer.
2. SSPND 640.
3. Inform the taxpayer using a Non-Suspense Letter with the following statement:
"A bankruptcy estate in chapter 12 is not a separate entity. An individual chapter 12 debtor should report their income on a form 1040 (U. S. Individual Income Tax Return). If you have not filed the form 1040. Please file your return."

4. Follow local Submission Processing Campus procedures to delete Form 1041 filing requirements.

(13) **Individual Bankruptcy Cases** - Bankruptcy Estates are created at the commencement of the bankruptcy case. Under Chapter 7 (Liquidation) and Chapter 11 (Reorganization), this estate is a new entity separate from the individual taxpayer.

Note: Married Filing Joint taxpayers may file a joint 1040 but must file separate Form 1041s.

1. If the signature section of Form 1041 contains the same name as that in the entity section, take the following action:

If...	Then...
The taxpayer does not indicate "Debtor in Possession" or does indicate "CHAPTER 7"	<p>Research IDRS to determine if a TC 150 is present:</p> <ul style="list-style-type: none"> • If a TC 150 is not present, continue processing the return. • If a TC 150 is present, process as follows: • Enter Action Code 640. • Forward to the Insolvency Unit (Collection) at the IRS office in the Area where the return was filed. • Attach a note explaining that the return was filed for a bankruptcy estate and may require review by Collection. • Issue a CNOTE or QUICKNOTE correspondence to the taxpayer with the following statement: <p>“</p> <p>The filing of the required returns may become the responsibility of an appointed trustee or receiver, rather than the individual who filed bankruptcy.</p> <p>If your case had begun but was later dismissed by the bankruptcy court, the estate is not treated as a separate entity, and your filing requirements remain as if the bankruptcy petition had never been filed in the first place. Therefore, we will process your form 1040, U.S. Individual Income Tax Return, instead of form 1041 you filed to satisfy your filing requirements with the internal revenue service.</p> <p>For additional information on filing requirements see publication 908, bankruptcy and other debt cancellation.”</p>
The taxpayer indicates "debtor in possession"	Continue processing.

- (14) **Corporations or Partnerships (Bankruptcy Estate Returns)** - The following procedures **must** be followed when Form 1041 has been filed instead of either Form 1065 or Form 1120.

- If the “Bankruptcy Estate” box is checked and Form 1065 or Form 1120 is attached to Form 1041 or the entity indicates a partnership or corporation, research INOLE/ENMOD to determine the filing requirement.

If...	Then...
Form 1041 filing requirement	<ol style="list-style-type: none"> 1. SSPND 320. 2. Attach Form 4227 and notate “possible filing discrepancy.” 3. Process as instructed when returned from Entity.
Form 1065 or 1120 filing requirement	<ol style="list-style-type: none"> 1. SSPND 610/611. 2. Attach Form 4227 and notate “renumber to 1120/1065”

- (15) **Joint Filed Bankruptcy Returns (One Form 1041 Received for More Than One Taxpayer)** - When a husband and wife file a joint bankruptcy petition under chapter 7 or chapter 11, their estates are effectively consolidated for administrative purposes. **However**, these estates are treated as separate entities for tax purposes and **must** file separate bankruptcy returns **unless** the filer has attached a court order allowing consolidation of their estates.

1. If one Form 1041 is received with either **two Forms 1040 (husband and wife) or one “Joint” Form 1040**, check for an attached court order allowing consolidation. If found, continue processing the return as filed.

Reminder: These taxpayers are allowed to file one Form 1041 and are allowed one personal Exemption (married filing separate) and one Standard Deduction on Form 1040.

2. If no court order is attached, look at both the Form 1041 and the supporting Forms 1040. Try to determine taxpayer intent. Research INOLES:

If...	Then...
Two names are present on INOLES and a joint filed Form 1040 is attached, (or 2 MFS 1040s)	<ol style="list-style-type: none"> 1. SSPND 320. 2. Attach Form 4227 and route to Entity for proper determination.
One name is present on INOLES and a joint filed Form 1040 is attached, (or 2 MFS 1040s)	<ol style="list-style-type: none"> 1. Suspend via Action Code 211. 2. Correspond with the taxpayer using the applicable paragraph in the 177C Letter. <ul style="list-style-type: none"> • Upon reply, continue processing based on the information received. • If no reply, enter "3" in Field 01CCC and continue processing the return.
One name is present on INOLES and there is one Form 1040 attached filing as MFS,	Continue to process the return.

3.12.14.25.31.3
(01-01-2016)

Suspense Correction - Error Code 839

- (1) Upon reply, process based on the information received.
- (2) If **no reply**, process as follows:
 1. Enter "3" in Field 01CCC.
 2. Only allow one personal Exemption and one Standard Deduction on Form 1040.
 3. Continue processing the return.
 4. Assign TPNC 90 with the literal "Joint bankruptcy not allowed per publication 908."

3.12.14.25.32
(01-01-2017)

Error Code 840 - Form 8941, SHOP Check boxes

- (1) Error Code 840 will display as follows:

Field Designator	Field Name
CL	Clear code
01TXP	Tax period
01EIN	EIN
21CBX	SHOP Check boxes
21BXC	Credit Period Limitation Check boxes
2118	Cooperatives, estates, and trusts, subtract Line 17 from Line 16

Note: S21NP means no data present.

3.12.14.25.32.1
(01-01-2017)

Invalid Condition - Error Code 840

- (1) Error Code 840 will generate when Field 21CBX contains a 0, 2 or 3, or when Field 21CBX contains a 1 and no amount in Field 2118 or when Field 21BXC contains a 0, 1, or 3 or when Field 21BXC contains a 2 and an amount is present in Field 2118.

3.12.14.25.32.2
(01-01-2017)

Correction Procedures - Error Code 840

- (1) Correct all misplaced entries, coding errors, and transcription errors.
(2) Beginning in Tax Year 2014 (PY2015), filers claiming a credit from Form 8941 must provide an answer to Question A on Form 8941.

Note: 201411 and prior returns do not have a check box so they will fall out. Enter the Clear code for these returns. This includes prior year MeF 1041 returns.

Exception: If the entire credit being claimed is from a pass-through entity, indicated by an EIN entered on Form 3800, Pt III, Line 4h, column (d), enter the Clear code. This includes MeF 1041 returns.

Caution: Do not correspond, when the taxpayer is not required to file Form **8941** if credits are from carryovers. See caution in IRM 3.12.14.25.46.2, Correction Procedures - Error Code 868.

- (3) Follow these procedures:

If...	Then...
Both boxes are checked or neither box is checked and there is no indication that C&E has corresponded,	Correspond using 177C letter and ask taxpayers to clarify which SHOP check box they meant to check.
If the No box has been checked,	<ul style="list-style-type: none"> • Enter a 2 into Field 21CBX, • Delete the entry in Field 2118, • Subtract the amount of the 8941 credit from Field 23030, • Enter C in the clear code, • Assign TPNC 31 if EC 866 generates. • Assign TPNC 54 if EC 868 generates. <p>Exception: Do not send TPNC 54, when the taxpayer is not required to file Form 8941, if credits are from carryovers. See IRM 3.12.14.25.46.2, Correction Procedures - Error Code 868.</p>

When corresponding for Question A (SHOP check box) on the Form 8941, the following language will be used: “we cannot determine your response to the question on line a of form 8941, Credit For Small Employer Health Insurance Premiums. You didn’t check a box, or checked both the yes and no boxes. Clarify your intent by checking one of the boxes below. ”

- (4) Beginning in Tax Year 2016 (PY2017), filers claiming a credit from Form 8941 must provide an answer to Question C on Form 8941.

Note: 201611 and prior returns do not have a check box so they will fall out. Enter the Clear code for these returns. This includes prior year MeF 1041 returns.

Exception: If the entire credit being claimed is from a pass-through entity, indicated by an EIN entered on Form 3800, Pt III, Line 4h, column (d), enter the Clear code. This includes MeF 1041 returns.

Caution: Do not correspond, when the taxpayer is not required to file Form **8941** if credits are from carryovers. See caution in IRM 3.12.14.25.46.2, Correction Procedures - Error Code 868.

If...	Then...
Both boxes are checked or neither box is checked and there is no indication that C&E has corresponded,	Correspond using 177C letter and ask taxpayers to clarify which Credit Period Limitation check box they meant to check.
If the Yes box has been checked,	<ul style="list-style-type: none"> • Enter a 1 into Field 21BXC, • Delete the entry in Field 2118, • Subtract the amount of the 8941 credit from Field 23030, • Enter C in the clear code. • Assign TPNC 31 if EC 866 generates. • Assign TPNC 54 if EC 868 generates. <p>Exception: Do not send TPNC 54, when the taxpayer is not required to file Form 8941 if credits are from carryovers. See IRM 3.12.14.25.46.2, Correction Procedures - Error Code 868.</p>

When corresponding for Question C (Credit Period Limitation check box) on the Form 8941, the following language will be used: "We cannot determine your response to the question on line c of form 8941, Credit For Small Employer Health Insurance Premiums. You didn't check a box, or checked both the yes and no boxes. Clarify your intent by checking one of the boxes below."

- (5) If Form 8941 has been completed and there is tax due on the return, but the credit was not used, allow the credit and assign TPNC 47.
- (6) If Form 8941 has been completed and there is no tax due on the return, enter the Line 18 amount from the Form 8941 into Fields, 2118V and 2504H. If there is no amount in Field 2118 but there is an amount in 2504H, enter the amount from Field 2504H into Field 2118V.

3.12.14.25.32.3
(01-01-2017)

**Suspense Correction -
Error Code 840**

- (1) Use the table below to process replies for the SHOP check box:

If...	Then...
Taxpayer tells us the "Yes" box should have been checked,	Input 1 into Field 21CBX and transmit.

- (2) Use the table below to process no reply returns for the SHOP check box:

If...	Then...
Neither box is checked,	Enter a 1 into Field 21CBX and transmit
Both boxes are checked,	Enter a 1 into Field 21CBX and transmit.

- (3) Use the table below to process replies for the Credit Period Limitation check box:

If...	Then...
Taxpayer tells us the No box should have been checked,	Input 2 into Field 21BXC and transmit.

- (4) Use the table below to process no reply returns for the Credit Period Limitation check box:

If...	Then...
Neither box is checked,	Enter a 2 into Field 21BXC and transmit.
Both boxes are checked,	Enter a 2 into Field 21BXC and transmit.

3.12.14.25.33
(01-01-2020)

Error Code 842 - Total Income

- (1) Error Code 842 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01MSC	Reserved
01CCC	Computer Condition Code
0401	Interest Income
042A	Total Ordinary Dividends
042B2	Qualified Dividends
0403	Business Income (or Loss)
0404	Capital Gain (or Loss)
0405	Rents/Royalties/Partnerships/Estates/Trusts
0406	Farm Income (or Loss)
0407	Ordinary Gain (or Loss)
04BLA	Form 461 Business Loss Amount
0408	Other Income
0409	Total Income
>>>>	Total Income-Computer

3.12.14.25.33.1
(01-01-2016)

Invalid Condition - Error Code 842

- (1) Error Code 842 will generate when Field 0409 (Total Income) differs from Total

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3.12.14.25.33.2
(06-18-2020)

Correction Procedures - Error Code 842

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- Note:** Any negative entry in a "positive only" field will cause a math error. See IRM 3.12.14.10, Section 04 - Income and Deductions Fields.
- (2) Check all fields leading to Field 0409. Also, check Form 1041 for any schedules or attachments that the taxpayer may have used in arriving at the amount in Field 0409 before assigning a TPNC.
- (3) Follow the correction procedures detailed below.
- (4) **Field 0401 (Interest Income)** - Transcribed from Line 1 of Form 1041 (or Line 1a of Form 1041-QFT/1041-N). This field **must** always be **positive**. If a negative amount is present:
- GTSEC 04.
 - Move the negative amount from Field 0401 (Line 1) to Field 0410 (Line 10).

3. Adjust Fields 0409 and 0416 on the screen and Lines 9 and 16 on Form 1041.
- (5) **Field 042A (Ordinary Dividends)** - Transcribed from Line 2a of Form 1041 (or Line 2a of Form 1041-QFT). This field **must** always be **positive**. If a negative amount is present:
 1. Delete Field 042A.
 2. Assign TPNC 01.
- (6) **Field 042B2 (Qualified Dividends)** - Qualified Dividends Allocable to Estate or Trust are reported on Line 2b(2) of Form 1041. When present, an entry on Line 2b(2) will trigger the computation of Capital Gains and Losses, whether a Schedule D (Form 1041) was filed or not.

Note: Though transcribed, Line 2b(2) is not used in the computation of Total Income (Line 9). Instead, Line 2b(2) is combined with Line 2b(1) (Qualified Dividends Allocable to Beneficiaries) to equal the amount reported on Line 2a.
- (7) **Field 0403 (Business Income or Loss)** - Transcribed from Line 3 of Form 1041. This field may be positive or negative. This field **must** be supported by Schedule C-EZ (Income Only) or Schedule C (Form 1040).

Schedule C, C-EZ, or supporting documentation is **not** attached, SSPND 211.

#

If...	Then...
Reply received	Continue processing based on the information received.
No reply and Line 3 is positive (gain)	Enter "3" in Field 01CCC.
No reply and Line 3 is negative (loss)	<ol style="list-style-type: none"> 1. Delete Field 0403. 2. Enter 3 in Field 01CCC. 3. Assign TPNC 40.

- (8) **Field 0404 (Capital Gain or Loss)** - Transcribed from Line 4 of Form 1041 (or Line 3 of Form 1041-QFT). This field may be positive or negative. A Schedule present on Line 4 of Form 1041.

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Caution: Taxpayers sometimes erroneously file two Schedule Ds, attached to one Form 1041. On one of the Schedule Ds, the filer will usually notate "Alternative Minimum Tax". If this occurs, do **not** process the Schedule D with the "AMT" notation on it. **Instead**, leave this document attached to the back of the return package and process the Schedule D that has no filer notation on it.

#

(Form 1041) is **not** attached, correspond.

If...	Then...
Reply received	Continue processing based on the information received. Reminder: Consider replies with anything other than Schedule D (Form 1041) to be “no reply” returns.
No reply and Line 4 is positive (gain)	Enter “3” in Field 01CCC.
No reply and Line 4 is negative (loss)	1. Delete Field 0404. 2. Enter 3 in Field 01CCC. 3. Assign TPNC 40.

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- c. If Schedule D is attached and Line 4 of Form 1041 is blank, zero, or illegible, determine if the filer is reporting a gain or a loss on the Schedule D.

If...	Then...
Schedule D reports a gain	Enter the amount from Line 19(3) of Schedule D in Field 0404.
Schedule D reports a loss	Enter the amount from Line 20 of Schedule D in Field 0404.

- d. If Line 4 of Form 1041 is a **loss of more than \$3,000** and has been reduced to \$3,000, assign TPNC 15.

Exception: If a “Final” return, accept the taxpayer’s entry and enter “F” in Field 01CCC.

- e. **Only** a Schedule D (Form 1041) is acceptable if the amount claimed is

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Schedule D from any other tax return (i.e., Form 1040, Form 1065, Form 1120, etc.), correspond.

If...	Then...
Reply received	Continue processing based on the information received. Reminder: Any Schedule D other than Schedule D (Form 1041) is considered a “no reply”.
No reply and a gain	Enter “3” in Field 01CCC.
No reply and a loss	1. Delete Field 0404. 2. Enter 3 in Field 01CCC. 3. Assign TPNC 40.

- (9) **Field 0405 (Income from Rents, Royalties, Partnerships, Other Estates and Trusts, etc.)** - Transcribed from Line 5 of Form 1041. This field may be positive or negative. A Schedule E (Form 1040) or supporting attachment **must**

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Form 1041.

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SSPND 211.

If...	Then...
Reply received	Continue processing based on the information received.
No reply and Line 5 is positive (gain)	Enter “3” in Field 01CCC.
No reply and Line 5 is negative (loss)	1. Delete Field 0405. 2. Enter 3 in Field 01CCC. 3. Assign TPNC 40.

- (10) **Field 0406 (Farm Income or Loss)** - Transcribed from Line 6 of Form 1041. This field may be positive or negative. A Schedule F (Form 1040) or supporting

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If...	Then...
Reply received	Continue processing based on the information received.
No reply and Line 6 is positive (gain)	Enter "3" in Field 01CCC.
No reply and Line 6 is negative (loss)	<ol style="list-style-type: none"> 1. Delete Field 0406. 2. Enter 3 in Field 01CCC. 3. Assign TPNC 40.

- (11) **Field 0407 (Ordinary Gain or Loss)** - Transcribed from Line 7 of Form 1041. This field may be positive or negative. Form 4797, Sales of Business Property

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2. If the taxpayer has erroneously entered an amount for Electing Small Business Trusts (ESBT) on Line 7 of Form 1041 instead of on Line 7 of Schedule G (where it is required), delete the ESBT amount from Field 0407, add that amount to the amount on Line 7 of Schedule G, enter the new Total Tax in Field 05G05 (Recapture Taxes), and assign TPNC 90 with the following literal:
"You erroneously entered your Electing Small Business Trusts (ESBT) tax on line 7 of form 1041 instead of line 7 of schedule G. We have moved your ESBT amount to line 7 of schedule G and adjusted your total tax accordingly."

- (12) **Field 04BLA (Form 461 Business Loss Amount)** - Taxpayer write-in amount to the left of Line 8 and is included in the total of line 8. See IRM 3.12.14.10.3.9, Field 04BLA - Form 461 Business Losses Amount, for action to take.

- (13) **Field 0408 (Other Income)** - Transcribed from Line 8 of Form 1041. This field may be positive or negative. See IRM 3.12.14.10.3.10, Other Income, for action to take.

- If "ELA" and an amount are present left of line 8 (Field 04BLA, see IRM 3.12.14.10.3.10, Other Income, for action to take).
- Treat any amount entered from Form 982 as a misplaced/erroneous entry. Delete the entry and adjust any subsequent lines as necessary.
- Treat any amount entered from Form 4972 as a misplaced/erroneous entry. Delete the entry and adjust any subsequent lines as necessary.
- If a significant entry is present on line 8 with the notation "Section 965" (or similar language), Suspend (SSPND) with Action Code "460" on the return and continue processing.

Note: A significant entry is defined as any amount other than zero.

- (14) **Field 0409 (Total Income)** - Transcribed from Line 9 of Form 1041 (or Line 5 of Form 1041-QFT). This field may be positive or negative.

If...	Then...
The taxpayer has made an error in the calculation of Total Income.	Assign TPNC 01.
Field 0409 contains an entry but there are no entries in Fields 0401 through 0408.	Check Lines 1 through 8 of Form 1041 (Lines 1a through 4 for Form 1041-QFT/1041-N) as well as any attachments. <ul style="list-style-type: none"> • If entries are present, enter to the correct Field. • If entries are not present, enter the amount from Field 0409 in Field 0408.
Field 0409 is blank or illegible.	Enter the computer underprint amount in Field 0409. Exception: If Field 01FID is "4" and it is apparent that the return is non-taxable, but the taxpayer has erroneously entered data to any of Lines 1 through 22, delete the entries in Fields 0401 through 0423 and edit a large "X" across Lines 1 through 23.

3.12.14.25.33.3
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 842**

(1) Valid TPNCs for Error Code 842 are:

TPNC	Literal
01	We found an error in the computation of your total income.
15	We found an error in the computation of your gains and losses on Schedule D.
16	We found an error in the computation of your gains and losses on Form 4797.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.34
(01-01-2024)

Error Code 845 - Basic Deductions

- (1) Error Code 845 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
0410	Interest Income
0411	Taxes
0412	Fiduciary Fees
0413	Charitable Deduction
0414	Attorney/Accountant and Return Preparer Fees
0415A	Other Deductions Not Subject to 2% Floor
0415B	Net Operating Loss Deduction
04MID	Allowable Misc. Itemized Deductions (Subject to 2% Floor) (TY 2017 and prior)
04NEX	Form 1041-N Exemption Amount (Form 1041-N only)
0416	Total Basic Deductions
>>>>	Total Basic Deductions-Computer
0418	Income Distribution Deduction

3.12.14.25.34.1
(01-01-2016)

Invalid Condition — Error Code 845

- (1) Error Code 845 will generate when Field 0416 differs from Total Basic Deduc-

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3.12.14.25.34.2
(01-01-2019)

Correction Procedures — Error Code 845

- (1) Correct all misplaced entries, coding errors, and transcription errors.

Note: Any negative entry in a “positive only” field will cause a math error. See IRM 3.12.14.10, Section 04 - Income and Deductions Fields.

- (2) Check all fields leading to Field 0416. Also, check Form 1041 for any schedules or attachments that the taxpayer may have used in arriving at the amount in Field 0416 before assigning a TPNC.

- (3) Fields 0410 **must** be positive. If a negative amount is present in Field 0410:

1. GTSEC 04.
2. Enter the amount from Field 0410 to Field 0401.
3. Delete Field 0410.

- (4) Fields 0411 through 0416 **must** be positive.

If...	Then...
Negative amounts are present on Lines 11 through 15b (15c for TY 2017 and prior).	<ol style="list-style-type: none"> 1. Delete the negative entries. 2. Adjust Field 0416 accordingly. 3. GTSEC 04. 4. Add the deleted amounts to Field 0408 and Field 0409 as a positive amount. 5. If Error Code 845 re-displays, assign TPNC 09.
Field 0416 contains an entry but there are no entries in Fields 0410 through 0415B (04MID for TY 2017 and prior).	<p>Check Lines 10 through 15b (15c for TY 2017 and prior) on Form 1041 as well as any attachments.</p> <ul style="list-style-type: none"> • If entries are present, enter to the correct field. • If entries are not present, SSPND 211.
Field 0416 contains a reduced entry which differs from the totals of Lines 10 through 15b (15c for TY 2017 and prior) due to the taxpayer claiming a "Tax Exempt Proration" of deductions (expenses).	<ol style="list-style-type: none"> 1. GTSEC 04. 2. Add the total amount (difference in deductions) in Field 0408 and Field 0409 as a positive amount. 3. Do not send a TPNC (the taxpayer's deduction computation is correct).
Field 01FID is "4" and it is apparent that the return is non-taxable, but the taxpayer has erroneously entered data to any of Lines 1 through 23.	<ol style="list-style-type: none"> 1. Delete the entries to Fields 0401 through 0423. 2. Edit a large "X" across Lines 1 through 23.
Field 0416 is blank or illegible.	Enter the computer underprint amount in Field 0416.
Field 0417> does not agree with the taxpayers' entry on Line 17,	Send TPNC 09.

Note: If Lines 10 through 15b (15c for TY 2017 and prior) are blank **but** the information is provided on attachments or schedules, bring the totals forward. After perfecting Lines 10 through 14, the balance should go on Line 15a.

Note: If the taxpayer checks the Box on Line 10 Form 1041 and there is an entry
enter tax amount in Field 05GVT, and continue processing.

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(5) **Form 1041-N -Line 11** (Exemption) of Form 1041-N is **not** a transcribed field. If an entry is present on Line 11:

1. Add the Line 11 amount to the amount in Field 0415A (Line 9 - Other Deductions).
2. Enter the Line 12 amount (Total Deductions) in Field 0416 (Total Basic Deductions).

3.12.14.25.34.3
(01-01-2016)

Suspense Correction - Error Code 845

- (1) Determine if reply has been received:

If...	Then...
Reply received	Enter the deduction on the appropriate line and field.
No reply	<ol style="list-style-type: none"> 1. "X" out the entry on the return. 2. Enter 3 in Field 01CCC. 3. Delete the entry from the field (disallowing the amount of the deduction not specified).

3.12.14.25.34.4
(01-01-2016)

Valid Taxpayer Notice Codes-Error Code 845

- (1) Valid TPNCs for Error Code 845 are:

TPNC	Literal
09	We found an error in the computation of your deductions.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.35
(01-01-2020)

Error Code 846 - Qualified Business Income Deduction Amount (QBID) (Qualifying Claim Check)

- (1) Error Code 846 instructions follow.

3.12.14.25.35.1
(01-01-2021)

Fields Displayed (EC 846)

- (1) The following fields are displayed:

Field Designators	Field Name	Form Line Location
01TXP	Tax Period	Upper Right Page 1
042A	Ordinary Dividends Amount	Line 2a
042B2	Qualified Dividends Amount	Line 2b (2)
0403	Business Income or Losses Amount	Line 3
0405	Rents, Royalties, Partnerships, Trusts Income or Losses	Line 5

Field Designators	Field Name	Form Line Location
0406	Farm Income or Losses Amount	Line 6
0420	Qualified Business Income Deduction Amount	Line 20
0420>	Qualified Business Income Deduction Amount Computer	Line 20 Computer
0420V	Qualified Business Income Deduction Amount Verified	Line 20 ERS Verified
13BNC	Qualified Business Net Loss Carryforward Amount	Line 3, Form 8995 Line 2, Sch. C, Form 8995-A
13QBI	Qualified Income Component Amount	Line 5, Form 8995 Line 27, Form 8995-A
13RPC	Qualified REIT Dividends & PTP Loss Carryforward Amount	Line 7, Form 8995 Line 29, Form 8995-A
13QRP	Qualified REIT/PTP Component Amount	Line 9, Form 8995 Line 31, Form 8995-A
13NCG	Net Capital Gains Amount	Line 12, Form 8995 Line 34, Form 8995-A
13TBL	Total Qualified Business Loss Carryforward Amount	Line 16, Form 8995 Line 6, Sch. C, Form 8995-A
13DPD	Domestic Production Activities Deduction Amount	Line 38, Form 8995-A
13TRP	Total Qualified REIT Dividends & PTP Loss Carryforward Amount	Line 17, Form 8995 Line 40, Form 8995-A

Note: S13NP means no data present for Section 13.

3.12.14.25.35.2
(03-31-2022)

Invalid Conditions (EC 846)

- (1) Error Code 846 will generate when the Tax Period (Field 01TXP) is 201912 and later and Qualified Business Income Deduction Amount Verified (Field 0420V) is not significant and Qualified Business Income Deduction Amount Computer (Field 0420>) is greater than 0 (zero) and all the following are not significant:

- Ordinary Dividends Amount (Field 042A).
- Qualified Dividends Amount Field 042B).
- Business Income or Losses Amount Field 0403).

- Rents, Royalties, Partnerships, Trusts Income or Losses (Field 0405).
- Farm Income or Losses Amount (Field 0406) is not significant.
- Form 8995-A Domestic Production Activities Deduction Amount (Field 13DPD).

3.12.14.25.35.3
(03-31-2022)

Correction Procedures (EC 846)

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) If an amount greater than 0 (zero) is present on Line 20 and Field 0420> is blank, either Form 8995 or Form, 8995-A must be attached to the return. If missing do not correspond, enter C in the clear code field and assign TPNC 61 when EC 847 generates.
- (3) One or more sources of business income/(loss) must be present on a return if a Qualified Business Income Deduction is claimed on Line 20 (Field 0420):

If...	Then
All the following are not present, <ul style="list-style-type: none"> • Ordinary Dividends Amount (Field 042A) • Qualified Dividends Amount (Field 042B) • Business Income or Losses Amount (Field 0403) • Rents, Royalties, Partnerships, Trusts Income or Losses (Field 0405) • Farm Income or Losses Amount (Field 0406) is not significant • Form 8995-A Domestic Production Activities Deduction Amount (Field 13DPD), 	1. Enter C in the clear code field.

3.12.14.25.35.4
(01-01-2020)

Suspense Correction Procedures (EC 846)

- (1) If no Form 8995 or Form 8995-A is attached, then assign TPNC 61 when EC 847 generates.

3.12.14.25.36
(01-01-2020)

Error Code 847 - Qualified Business Income Deduction Amount (QBID) (Math Error)

- (1) Error Code 847 instructions follow.

3.12.14.25.36.1
(01-01-2021)

**Fields Displayed (EC
847)**

(1) The following fields are displayed:

Field Designators	Field Name	Form Line Location
01TXP	Tax Period	Upper Right Page 1
042A	Ordinary Dividends Amount	Line 2a
042B2	Qualified Dividends Amount	Line 2b (2)
0420	Qualified Business Income Deduction Amount	Line 20
0420>	Qualified Business Income Deduction Amount Computer	Line 20 Computer
0420V	Qualified Business Income Deduction Amount Verified	Line 20 ERS Verified
0423	Taxable Income	Line 23
0423>	Taxable Income Computer	Line 23 Computer
13BNC	Qualified Business Net Loss Carry-forward Amount	Line 3, Form 8995 Line 2, Sch. C, Form 8995-A
13QBI	Qualified Income Component Amount	Line 5, Form 8995 Line 27, Form 8995-A
13RPC	Qualified REIT Dividends & PTP Loss Carryforward Amount	Line 7, Form 8995 Line 29, Form 8995-A
13QRP	Qualified REIT/PTP Component Amount	Line 9, Form 8995 Line 31, Form 8995-A
13NCG	Net Capital Gains Amount	Line 12, Form 8995 Line 34, Form 8995-A
13TBL	Total Qualified Business Loss Carryforward Amount	Line 16, Form 8995 Line 6, Sch. C, Form 8995-A
13DPD	Domestic Production Activities Deduction Amount	Line 38, Form 8995-A
13TRP	Total Qualified REIT Dividends & PTP Loss Carryforward Amount	Line 17, Form 8995 Line 40, Form 8995-A

Note: S13NP means no data present for Section 13.

3.12.14.25.36.2
(01-01-2020)
Invalid Conditions (EC 847)

- (1) Error Code 847 will generate when, the Tax Period (Field 01TXP) is 201912 and later and Qualified Business Income Deduction Amount Verified (Field 0420V) is not significant, and the Qualified Business Income Deduction Amount (Field 0420) is not equal to Qualified Business Income Deduction Amount Computer (Field 0420>) and the difference between the two is \$1.00 or more.

3.12.14.25.36.3
(01-01-2020)
Correction Procedures (EC 847)

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) If an amount is present on Line 20, Form 1041, either Form 8995 or Form, 8995-A must be attached to the return. If missing do not correspond, assign TPNC 61.
- (3) **Form 8995 is attached:**
 - a. If Line 5, Form 8995 is blank or zero, then verify the computation leading to Line 5 (Lines 2, 3, and 4) amount and enter the verified amount into Field 13QBI. If the result is zero then enter zero.
 - b. If Line 9, Form 8995 is blank or zero, then verify the computation leading to Line 9 (Lines 6, 7, and 8) amount and enter the verified amount into Field 13QRP. If the result is zero, then enter zero.
- (4) **Form 8995-A is attached:**
 - a. If Line 27, Form 8995-A is blank or zero, then enter the amount from Line 16, Part II into Field 13QBI. If Line 16, Part II amount is zero then enter zero.
 - b. If Line 31, Form 8995-A is blank or zero, then verify the computation leading to Line 31 (Lines 28 through 31) amount and enter the verified amount into Field 13QRP. If the result is zero then enter zero.
- (5) If no other corrections are needed and the amounts for Field 0420 and 0420> differ by \$1.00 or more, then assign TPNC 62.

3.12.14.25.36.4
(01-01-2020)
Suspense Correction Procedures (EC 847)

- (1) If no Form 8995 or Form 8995-A is attached, assign TPNC 61.

3.12.14.25.36.5
(01-01-2020)
Valid Taxpayer Notice Codes (EC 847)

- (1) Valid TPNCs for Error Code 847 are:

TPNC	Literals
61	We didn't allow the Qualified Business Income Deduction claimed on Form 1041, U.S. Income Tax Return for Estates and Trusts. One of the required forms listed below was missing from your return: <ul style="list-style-type: none">Form 8995, Qualified Business Income Deduction Simplified ComputationForm 8995-A, Qualified Business Income Deduction

TPNC	Literals
62	<p>We changed the Qualified Business Income Deduction claimed on Form 1041, U.S. Income Tax Return for Estates and Trusts because you made one or more of the following errors:</p> <ul style="list-style-type: none"> • The amount claimed exceeds the statutory Limit. • The amount(s) used to determine your Qualified Business Income Deduction on Form 8995 or Form 8995-A was figured incorrectly. • The amount from Form 8995 or Form 8995-A was transferred incorrectly to Form 1041.
90	Blank Notice

3.12.14.25.37
(01-01-2020)

**Error Code 848 -
Exemptions and Total
Tax Error**

- (1) Error Code 848 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01FID	Fiduciary Code
01CCC	Computer Condition Code
01TRC	Trust Code
0421	Exemption Amount
>>>>	Exemption Amount - Computer

3.12.14.25.37.1
(01-01-2020)

**Invalid Condition - Error
Code 848**

- (1) Error Code 848 will generate when Field 0421 is **not** compatible with the Field 01FID **and** Total Tax is in error.

Note: Grantor Trusts (Partially Taxable) and Generation Skipping Trusts can qualify as a Simple Trust (\$300 exemption) or Complex Trust (\$100 exemption). If the return is a Grantor Trusts (Partially Taxable) (2/3) or Generation Skipping Trusts (3/1) and Field 0421 equals \$300, the computer-generated Exemption amount will be \$300.00. **However**, if the filer-provided Exemption amount is **other than \$300 or \$100**, the computer-generated Exemption amount will be \$100.

3.12.14.25.37.2
(04-12-2024)

**Correction Procedures -
Error Code 848**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) Ensure that the type of entity box checked agrees with what the name line and exemption amount indicate. If not, treat as a misplaced entry.

Example: If the type of entity is checked for a decedent's estate but the name line says a trust and the exemption is for \$300, then the taxpayer has checked the wrong box. The simple trust box needs to be checked and "2" entered into Field 01FID.

- (3) If there are no entries below Line 23 or Schedule G, see IRM 3.12.14.8.7, Field 01TRC - Trust Code.
- (4) Exemption Amounts are determined based on whether the fiduciary is filing for a decedent's estate or trust.
 - Determine the correct Fiduciary Code and Exemption amount as follows:

Type of Return	Fiduciary Code	Trust Code	Exemption Amount
Decedent's Estate	1	-	\$600
Simple Trust	2	-	\$300
Grantor Trust (Partially Taxable)	2	3	\$100 or \$300
Complex Trust	3	-	\$100 or \$300
Generation Skipping Trust	3	1	\$100 or \$300
Grantor Trust (Non-Taxable)	4	3	\$0
Bankruptcy Estate - Ch. 7	5	-	\$0
Bankruptcy Estate - Ch. 11	6	-	\$0.00
Qualified Disability Trust- IRC 642(b)(2)(C)	8	-	\$4,700 (\$4,400 for tax year 2022) (\$4,300 for tax years 2020 through 2021)
Non-Exempt Charitable or Split Interest Trust Described in IRC 4947(a)(2)	9	-	\$100 or \$300

- If the return is a Grantor Trust (Partially Taxable) (2/3), Complex Trust (3/-), Generation Skipping Trust (3/1), or IRC 4947(a)(2) Trust (9/-) **and** Field 0421 equals \$300, the computer-generated Exemption amount will be \$300. **However**, if the filer-provided Exemption amount is **other than \$300**, the computer-generated Exemption amount will be \$100.
- Qualified Disability Trusts (QDT) may claim an Exemption amount up to \$4,300 on Line 21 of Form 1041. **However**, the "QDT" box was not added to Section "A" of Form 1041 until TY 2002. For Tax Year 2001, the taxpayer was required to notate "SECTION 642(b)(2)(C)" in the dotted portion of Line 21. If a TY 2001 return is received and "Section 642(b)(2)(C)" is notated on Line 20, enter "8" in Field 01FID. Returns claiming up to \$3,000 that do **not** reference "Section 642(b)(2)(C)" should be processed like all other returns that fall out to EC 848.

- (5) A short period return, caused by a change of accounting period, may contain prorated amounts (i.e., a “Y” is present in Field 01CCC).
- If this occurs, verify the taxpayer's entry and enter amount via Field 05GVT. See IRM 3.12.14.25.40.2, Correction Procedures - Error Code 857.
- (6) Form 1040, Form 1040-A and Form 1040-EZ **cannot** be filed for a deceased taxpayer (or two deceased taxpayers on a joint return) if the return covers a Tax Period **after** the one in which the taxpayer(s) died.
- (7) C&E corresponded for Form 1041 after making the determination that a Form 1040 needed to be converted.

Note: If this correspondence has not been sent, SSPND 211 to correspond for Form 1041 if income is over \$600.

- (8) If Line 18 is blank and income distribution is present on Schedule B, Line 15, then GTSEC 04 and enter the amount in Field 0418. If Line 15 is blank or illegible use the lesser amount of Schedule B, Line 13 or 14.

Note: This step will help eliminate rippling to other error codes.

- (9) If the return is for a Decedent's Estate or a Simple, Complex, or Taxable Grantor Trust and **Line 21 is blank**, the computer is programmed to generate the following **Exemption Amounts**:

Type of Return	Exemption Amount	Fiduciary Code	Trust Code
Decedent's Estate	\$600	1	-
Simple Trust	\$300	2	-
Grantor Trust (Partially Taxable)	\$300	2	3
Complex Trust	\$100	3	-
Qualified Disability Trust—IRC 642(b)(2)(C)	\$4,700 (\$4,400 for tax year 2022) (\$4,300 for tax years 2020 through 2021)	8	-
Non-Exempt Charitable or Split Interest Trust	\$100	9	-

Note: For additional instructions for determining Fiduciary and Trust Codes, see IRM 3.12.14.25.27.2, Correction Procedures - Error Code 830.

- a. Determine the Exemption amount as follows:

If...	Then...
Field 0421 is blank, but Field 0422 contains an entry of \$100, \$300, \$600, or \$4,700 (QDT),	Enter the amount from Field 0422 to Field 0421. Caution: Taxpayers sometimes mistakenly enter the Exemption amount on Line 22 instead of Line 21 as required. If this occurs, enter the Exemption amount provided on Line 22 to Field 0421.
If Form 1041 has been converted from Form 1040 and taxpayer did not respond to correspondence,	Issue TPNC 46.
Form 1041 is for a Decedent's Estate and the taxpayer has used an amount other than \$600 on Line 21 or if Line 21 is zero	Assign TPNC 20. Exception: If the return is for a Change in Accounting Period, use the prorated amount. For additional instruction, see IRM 3.12.14.26, Manual Computation Instructions.
If the exemption amount on Line 21, agrees with the entity information,	Enter the correct codes in Fields 01FID and/or 01TRC (do not change the Exemption amount).
The taxpayer has notated "Section 642(b)(2)(C)" on the dotted portion of Line 21	1. Enter 8 in Field 01FID. 2. Continue processing. 3. Do not change the entry in Field 0421.
The taxpayer has indicated that Form 1041 is for a "Settlement Fund"	1. SSPND 320. 2. Prepare Form 4227 and notate: "Filing requirement change needed new form possible discrepancy"
The taxpayer claims an incorrect Exemption amount	Assign TPNC 20.
There is no exemption amount on Line 21 and no type of entity box is checked,	Determine the correct code by using the name line or research INOLE. Enter the correct codes in Fields 01FID and/or 01TRC

If...	Then...
Line 21 of Form 1041 is zero, the return has Taxable Income, and it cannot be determined whether the return is for a Simple, Complex, or Grantor Trust (Partially Taxable)	Assign Fiduciary Code "3" in Field 01FID.

Note: Qualified Disability Trusts (QDT) may claim an Exemption amount up to \$4,700 on Line 21 of Form 1041. However, the "QDT" box was not added to Section A of Form 1041 until TY 2002. For Tax Year 2001, the taxpayer was required to notate "Section 642(b)(2)(C)" in the dotted portion of Line 20. If "Section 642(b)(2)(C)" is notated on Line 20, enter "8" in Field 01FID.

- (10) See IRM 3.12.14.26, Manual Computation Instructions.

3.12.14.25.37.3
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 848**

- (1) Valid TPNCs for Error Code 848 are:

TPNC	Literals
20	We found an error in the amount shown as your exemption.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
46	According to our records, you should file as an Estate using Form 1041 instead of filing Form 1040. We transferred the information submitted on your Form 1040 to Form 1041 and processed it using the applicable exemption amount and tax rates for an estate return.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.38
(01-01-2020)

**Error Code 851 - Total
Special Deduction
Amount**

- (1) Error Code 851 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01FID	Fiduciary Code
01CCC	Computer Condition Code
01TRC	Trust Code
01MSC	Reserved
0418	Income Distribution Deduction
0419	Estate Tax Deduction Amount
0420	Qualified Business Income Deduction Amount
0420>	Qualified Business Income Deduction Amount Computer
0420V	Qualified Business Income Deduction Amount Verified
0421	Exemption Amount
>>>>	Exemption Amount - Computer
0422	Total Special Deductions Amount
>>>>	Total Special Deductions Amount Computer

Note: The literal “Section 04 Not Present” will display if no entries are in Section 04.

3.12.14.25.38.1
(01-01-2020)

**Invalid Condition - Error
Code 851**

- (1) Error Code 851 will generate when Field 0422 (Total Special Deduction

#

3.12.14.25.38.2
(01-05-2021)

**Correction Procedures
— Error Code 851**

- (1) Correct all misplaced entries, coding errors, and transcription errors. Also, check all attachments to ensure that all entries were brought forward correctly.
- Any negative entry in a positive only field will cause a math error.
- (2) If the taxpayer indicated a negative amount on Line 19:
- Delete the negative entries.
 - Assign TPNC 09.
- (3) **Field 0418 (Income Distribution Deduction)** - Transcribed from Line 18 of Form 1041. This field should be positive. Taxpayer intent should be used to determine whether the entry is negative or positive.

Exception: If a “Final” return, this field can be a negative amount. Trusts are allowed to distribute losses to their beneficiaries.

1. If Line 9 is **greater than** Line 16 **and** Line 18 is blank, check Line 15 of Schedule B (Form 1041).

If...	Then...
An entry is present on Line 15 of Schedule B or can be computed from the lesser of Line 13 or 14 of Schedule B	Enter the amount in Field 0418.
Line 15 of Schedule B is blank and cannot be computed from the lesser of Line 13 or 14 of Schedule B	Assign TPNC 09.

- (4) **Field 0419 (Estate Tax Deduction)** - Transcribed from Line 19 of Form 1041. Field 0419 **must** always be **positive**.

1. If the taxpayer indicated a negative amount in Field 0419, delete the negative entry and assign TPNC 09.

- (5) **Field 0420 (Qualified Business Income Deduction Amount)** - Transcribed from Line 20 of Form 1041. Field 0420 **must** always be **positive** and is valid for Tax Period 201912 and later.

- (6) **Field 0420> (Qualified Business Income Deduction Amount Computer)** - This field is the computer underprint for Field 0420 and valid for Tax Period 201912 and later.

- (7) **Field 0420V (Qualified Business Income Deduction Amount Verified)** - This field is used to set the computer underprint 0420> to \$0 by entering a 1 into Field 0420V. This field will only be used when instructed by this IRM to do so.

Note: If Field 0420 differs from Field 0420V and the taxpayer has computed line 15, Form 8995 correctly, enter 1 into Field 0420V.

- (8) **Field 0421 (Exemption Amount)** - Transcribed from Line 21 of Form 1041. Field 0421 **must** always be **positive**.

1. If Error Code 851 generates because of a correction made to the Exemption amount in Error Code 848, assign TPNC 20.
2. If the computer underprint displays an amount other than the amount shown by the taxpayer on Line 21, check for transcription errors in Fields 01FID and 01TRC. Correct any transcription errors found.

- (9) **(Exemption Amount Computer)** - This is a non-correctable field generated only for returns containing Fiduciary Codes "1", "2", "3", "8", or "9".

- (10) **Field 0422 (Total Special Deductions)** - Transcribed from Line 22 of Form 1041 (or Line 10 of Form 1041-QFT). Field 0422 can be positive or negative. If Lines 18 through 21 were added incorrectly, issue TPNC 09.

Note: Treat any amount entered from Form 982 and/or Form 4972 as a misplaced/erroneous entry. Delete the entry and adjust any subsequent lines as necessary.

3.12.14.25.38.3
(01-01-2016)

Valid Taxpayer Notice Codes - Error Code 851

(1) Valid TPNCs for Error Code 851 are:

TPNC	Literal
09	We found an error in the computation of your deductions.
20	We found an error in the amount shown as your exemption.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.39
(01-01-2020)

Error Code 854 - Taxable Income

(1) Error Code 854 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
0409	Total Income
>>>>	Total Income Computer
0416	Total Basic Deductions
>>>>	Total Basic Deductions Computer
0417>	Adjusted Total Income Computer
0422	Total Special Deductions
>>>>	Total Special Deductions Computer
0423	Taxable Income
>>>>	Taxable Income Computer

3.12.14.25.39.1
(01-01-2020)

Invalid Condition - Error Code 854

(1) Error Code 854 will generate when Field 0423 (Taxable Income) differs from

#

3.12.14.25.39.2
(01-01-2020)

**Correction Procedures -
Error Code 854**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) If there are no entries below Line 23 or Schedule G: see IRM 3.12.14.8.7, Field 01TRC - Trust Code.
- (3) **Field 0417>** - A computer-generated field that is computed by subtracting Line 16 from Line 9.
- (4) Check all fields leading to Field 0423. Also, check Form 1041 for any schedules or attachments that the taxpayer may have used in arriving at the amount in Field 0423 before assigning a TPNC.

Exception: If Field 01FID is "4" **and** it is apparent that the return is non-taxable, **but** the taxpayer has erroneously entered data to **any** of Lines 1 through 23, delete the entries in Fields 0401 through 0423 and edit a large "X" across Lines 1 through 23.

- (5) Treat any amount entered from Form 982 and/or Form 4972 as a misplaced/erroneous entry. Delete the entry and adjust any subsequent lines as necessary.
- (6) If the deductions are in error, send TPNC 09.
- (7) If no other errors are found, send TPNC 04.

3.12.14.25.39.3
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 854**

- (1) Valid TPNCs for Error Code 854 are:

TPNC	Literal
04	We found an error in the computation of your taxable income.
09	We found an error in the computation of your deductions.
20	We found an error in the amount shown as your exemption.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
46	According to our records, you should file as an Estate using Form 1041 instead of filing Form 1040. We transferred the information submitted on your Form 1040 to Form 1041 and processed it using the applicable exemption amount and tax rates for an estate return.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.40
(01-01-2020)

Error Code 857 - Gross Tax

(1) Error Code 857 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
042B2	Qualified Dividends
0423	Taxable Income
>>>>	Taxable Income Computer
05G1A	Schedule G Gross Tax
>>>>	Schedule G Gross Tax Computer
05TRS>	Tax Per Tax Rate Schedule Computer
05G1D	Schedule G Total Tax
>>>>	Schedule G Total Tax Computer
05GVT	Schedule G Total Tax Verified
1017	Schedule D (Net Short-Term Gain or Loss)
1018A	Schedule D Net Long-Term Gain or Loss
1018B	Schedule D Unrecaptured Section 1250 Gain
1018C	Schedule D Line 18c (28% Rate Gain or Loss)
1019	Schedule D Net Gain or Loss
1043	Schedule D Alternative Tax
>>>>	Schedule D Alternative Tax Computer
06D4E	Schedule D Form 4952 Net Gain From Disposition of Property
06D4G	Schedule D Form 4952 Investment Income

3.12.14.25.40.1
(03-25-2021)

Invalid Condition - Error Code 857

(1) Error Code 857 will generate when Field 05G1A (Gross Tax) differs from its outside tolerance.

- The computer underprint is the **lesser** of the following calculations of tax... the tax rate schedule (05TRS>) or the Schedule D Alternative Tax (Field 1043).

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3.12.14.25.40.2
(04-28-2022)

Correction Procedures - Error Code 857

(1) Correct all misplaced and omitted entries, coding errors, and transcription errors.

Note: See Exhibit 3.12.14-28, Error Code 857 - Resolution Checklist, for common transcription errors and resolutions.

- (2) If Form 1041 is missing page 2 or Sch G is blank, enter the amount from Line 24 of the 1041 to Field 05G1A and Field 05G1D.
- (3) If Lines 24, 28, and Schedule G are blank, send TPNC 41 to inform taxpayer that we will figure the tax for them.
- (4) If there are no entries below Line 23 or Schedule G: see IRM 3.12.14.8.7, Field 01TRC - Trust Code.

If...	Then...
The Grantor type trust box is checked or <ul style="list-style-type: none"> • The return has a notation or stamp that the entity is a Non-taxable Grantor trust, or • There is any other indication that the entity is Non-taxable, 	<ol style="list-style-type: none"> 1. GTSEC 01 and enter 4 in Field 01FID and 3 in Field 01TRC. 2. Delete Sections 04, 06, and 10.

- (5) Determine whether EC 857 generated due to a previous error **or an additional math error was made**. If no additional error was made, ripple the previous TPNC.

3.12.14.25.40.2.1
(01-01-2020)

Field 05G1A (Schedule G Gross Tax)

- (1) Field 05G1A is the taxpayer's entry on Schedule G, Line 1a, the Gross Tax determined by the taxpayer, from either the Tax Rate Schedule (Field 05TRS>) or Schedule D Alternative Tax (Field 1043).

Caution: Verify transcription of Field 1043

Note: If the taxpayer checks the Box on Line 10 Form 1041 and there is an entry
enter tax amount in Field 05GVT, and continue processing.

#

If...	Then...
Field 05G1A> amount is the same as Field 05TRS>,	Assign TPNC 05.

3.12.14.25.40.2.2
(01-01-2016)

Field 05TRS> (Tax per Tax Rate Schedule)

- (1) Field 05TRS> is the computer-generated tax computation, determined by the Form 1041, Tax Rate Schedule.
 - Field 05TRS> is a non-correctable field.
- (2) The amount reported in Field 05TRS> should be the same as the taxpayer's entry on Schedule G, Line 1a, **unless** the tax was determined using Schedule D. Then Field 1043 should equal Line 1a.
 - **An entry on Line 2(b)2 will trigger the computation of Capital Gains and Losses, whether a Schedule D was filed or not.** It is transcribed,

but not used in the calculation of Total Income (Line 9). If the taxpayer fails to use the lower Capital Gains tax rate, assign a TPNC 24.

(3) The computer will compute tax for a 12 month period.

- On short period returns, the computer calculation may be inaccurate and manual computation will be required. See IRM 3.12.14.26, Manual Computation Instructions.

(4) **The formula for computing Annualized Gross Tax using the Tax Rate Schedule:**

Step	Computation
1	(Months in Short Period ÷ 12) × Exemption Allowed = Prorated Exemption (Line 20)
2	Line 9 – (Line 16 + Line 18 + Line 19 + Line 20) = Taxable Income (Line 22)
3	Taxable Income × (12 ÷ Months in Short Period) = Annualized Income
4	Annualized Income × Applicable Tax Rate = Annualized Tax
5	Annualized Tax × (Months in Short Period ÷ 12) = Annualized Gross Tax

Note: If the taxpayer has used days to compute tax, verify the computations using days instead of months.

3.12.14.25.40.2.3
(01-01-2024)

Field 1043 (Schedule D - Line 43)

(1) Field 1043 should be the same as the entry on Schedule G, Line 1a, if the tax was determined using Schedule D (Field 1043).

- If Line 43 is blank and there is an entry on Line 45, enter that amount into Field 1043.

(2) The underprint for Field 1043 (>>>>) is the tax per computer and is based on the lines transcribed from Form 1041 (Field 042B2), Schedule D, Part III (Fields 1017, 1018A, and 1019,) and Form 4952 (Fields 06D4E and 06D4G).

Note: Data will only transcribe amounts in Column 2. These amounts, on Lines 15, 18a, and 19 of Schedule D, represent the capital gains that are taxable income to the Estate or Trust.

Schedule B, Line 3 is brought forward from Column 1 of Schedule D, Line 19, and is the capital gains that are taxable income to the beneficiary. (If the taxpayer calculates the alternate Schedule D tax, the amount entered on Line 22 of Part V, Schedule D can also be used to determine what to enter in column 2.)

(3) If necessary, perfect Fields 042B2, 1017, 1018A and 1019 as follows:

Note: Income Distribution, Schedule B, Line 3 can be used to determine if the capital gain is taxable to the estate or the beneficiary.

If...	And...	Then...
Field 042B2 is blank,	Schedule D, Line 23 has an entry,	Enter that amount.
It is determined that the capital gains are not taxable to the Estate or Trust,	taxpayer has made entries in column 1, and column 2 is blank,	Do not make entries in 1017, 1018A, and 1019.
There are entries in Column 2 of Lines 17, 18a, and 19,		Enter those amounts in 1017, 1018A, and 1019.
Schedule D, Line 17, Column 2 is blank,	Schedule D, Line 17, Column 3 has an entry, - or - Schedule D, Line 7 has an entry,	Enter that amount in Field 1017.
Schedule D, Line 18a, Column 2 is blank,	Schedule D, Line 18a, Column 3 has an amount, - or - Line 16 has an entry,	Enter that amount Field 1018A.
Schedule D, Line 19, Column 2 is blank,		Enter the combined total amount of 1017 and 1018A into Field 1019.

- (4) If Line 4 of Form 1041, has an entry and Schedule D is not attached or incomplete (only total tax completed):

#

If...	Then...
	Correspond. Note: See Exhibit 3.12.14-39 for No Reply Procedures.
Field 05TRS> is greater than	Accept the taxpayer's figures by entering the amount in Field 05G1D into 05GVT.
Field 05TRS> is less than Field 05G1A	Assign TPNC 05.

#

#

- (5) If Line 4 of Form 1041 has an entry and Schedule D is attached:

If...	Then...
If the taxable income, from Line and Line 43 and the underprint are both blank or zero,	Assign TPNC 24.
The taxpayer has transferred the tax from Schedule D incorrectly, and the amount on Line 43 (Sch D) matched >>>> Field 1043	Assign TPNC 05.
The taxpayer correctly computes Line 43, and incorrectly computes Line 45, which is entered on Line 1a, Schedule G,	Assign TPNC 24.
The taxpayer has transferred and/or figured the tax from Schedule D incorrectly, and the amount on Line 43 (Sch D) does not match >>>> Field 1043.	Assign TPNC 24.

#

3.12.14.25.40.2.4
(01-01-2016)
**Field 06D4E - Form
4952, Line 4e**

- (1) This field is transcribed from Form 4952, Investment Interest Expense
Deduction, Line 4e.

- This field is used to calculate Schedule D, Line 25.

#

25, correspond.

#

25, enter the amount in Field 06D4F.

3.12.14.25.40.2.5
(01-01-2016)
**Field 06D4G - Form
4952, Line 4g**

- (1) This field is transcribed from Form 4952, Investment Interest Expense
Deduction, Line 4g.

- This field feeds into Schedule D, Line 25 and is used to calculate Alter-
native Tax.

#

25, correspond.

#

25, enter the amount in Field 06D4G.

- If there is a negative entry, change the entry to zero and allow the
Schedule D tax. Send TPNC 24.

3.12.14.25.40.2.6
(06-16-2022)

Other Taxes Indicated

- (1) **Other Taxes** - If the taxpayer indicates that they are liable for "Other Taxes" and has adjusted line 1a by the amount of other taxes, make the adjustment in Field 05GVT, as follows:

If...	Then...
The difference between the underprint and the transcribed amount equals the write-in amount,	<ol style="list-style-type: none"> 1. Manually verify the taxpayer's amount for line 1d, by adding their amounts on lines 1a through 1c. 2. Enter the verified amount for line 1d into field 05GVT.

Note: Examples of Other Taxes are Form 8978, Form 4970, Form 8621, Form 8697, IRC 453A(C), IRC 641(C), IRC 644, or "Electing Small Business Trust" (a.k.a. "ESBT" or "Small Business Trust").

Exception: IRC 1291 see paragraph (3) below for new instructions.

- (2) **ESBT** - Taxpayers are instructed to report a special tax for ESBT by checking the "ESBT" box in Section "A" (Type of Entity) of Form 1041. If the taxpayer has checked the ESBT box in Section "A" or has notated "Electing Small Business Trust", "ESBT" or "IRC 641(c)" and has entered the ESBT amount on Line 1a of Schedule G, compute Line 1d using the taxpayer's Line 1a amount and enter in Field 05GVT.
- (3) Sometime taxpayers paying write-in IRC 1291 tax may also pay interest on that tax and indicate it on Form 1041, page 1, bottom margin. Add both the IRC 1291 tax and interest to Fields 0524 and 05MCT.
- (4) See IRM 3.12.14.26, Manual Computation Instructions.

3.12.14.25.40.3
(01-01-2016)

Valid Taxpayer Notice Code - Error Code 857

- (1) Valid TPNCs for Error Code 857 are:

If...	Then...
05	We found an error in the computation of your total income tax.
20	We found an error in the amount shown as your exemption.
24	<p>We changed your Form 1041, U.S. Income Tax for Estates and Trusts because:</p> <ul style="list-style-type: none"> • You computed your Alternative Tax incorrectly, or • We computed your tax using the Alternative Tax because it reduced your tax.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
41	We computed your tax for you.

If...	Then...
46	According to our records, you should file as an Estate using Form 1041 instead of filing Form 1040. We transferred the information submitted on your Form 1040 to Form 1041 and processed it using the applicable exemption amount and tax rates for an estate return.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.41

(01-01-2020)

Error Code 860 -

Alternative Minimum Tax

(1) Error Code 860 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
0417>	Adjusted Total Income
0419	Estate Tax Deductions
0420	Qualified Business Income Deduction
0420>	Qualified Business Income Deduction Computer
0420V	Qualified Business Income Deduction Verified
0421	Exemption Amount
>>>>	Exemption Amount - Computer
05G1A	Schedule G Gross Tax Amount
>>>>>	Schedule G Gross Tax Amount Computer
05G1C	Schedule G Alternative Minimum Tax
>>>>	Schedule G Alternative Minimum Tax Computer
06I22	Schedule I Alternative Minimum Tax Net Operating Loss Deduction (NOLD)
06I23	Schedule I Adjusted Alternative Minimum Taxable Income
06I24	Schedule I Income Distribution Deduction
06I51	Schedule I Alternative Minimum Foreign Tax Credit
06I52>	Schedule I Tentative Minimum Computer
06I56>	Schedule I Line 56 Computer
06I61>	Schedule I Line 61 Computer
06I65>	Schedule I Line 65 Computer
06I74>	Schedule I Line 74 Computer
06I79>	Schedule I Line 79 Computer
06I80>	Schedule I Line 80 Computer
06I81>	Schedule I Line 81 Computer
06IAV	Schedule I Alternative Minimum Tax Verified
1017	Schedule D (Net Short-Term Gain or Loss)
1018A	Schedule D (Net Long-Term Gain or Loss)
1018B	Schedule D (Unrecaptured Section 1250 Gain)
1018C	Schedule D (28% Rate Gain or Loss)
1019	Schedule D (Total Net Gain or Loss)
1043	Schedule D Alternative Tax

Field Designator	Field Name
>>>>	Schedule D Alternative Tax Computer
06D4E	Schedule D Form 4952 Disposition Property Income
06D4G	Schedule D Form 4952 Investment Income

3.12.14.25.41.1 (01-01-2016) **Invalid Condition - Error Code 860** (1) Error Code 860 will generate when Field 05G1C (Alternative Minimum Tax) and Total Tax is in error. #

3.12.14.25.41.2 (04-18-2022) **Correction Procedures - Error Code 860** (1) Correct all misplaced entries, coding errors, and transcription errors. (2) Research for the following signs that **Schedule I should not have been transcribed:**

- Schedule I is for a different tax period.
- Line 1, Schedule I does not match Line 17, Form 1041.
- Schedule G, Line 1c, has no entry.
- Form 8801 is attached.
- "Alt Min Tax" is notated on Schedule I.
- "Electing Small Business" is notated on Schedule I or the ESBT (S portion only) check box is checked in box A, page 1, Form 1041.
- "Small Business" or "S-Corporation Portion" is notated on Schedule I.

If...	Then...
None of the above indicators are present,	GTSEC 06 and 10 and ensure all fields are transcribed correct.
Any of the above indicators are present,	DLSEC 06.

- (3) Field 05G1C is transcribed from Line 1c of Schedule G (Form 1041) and is supported by Schedule I (Form 1041).
- a. For Tax Periods **198912 and later**, if Field 05G1C has an underprint, determine if an entry is present on Line 1c of Schedule G (Form 1041):

If...	Then...	
attached, or the taxpayer has attached a prior year Schedule I or Form 6251 in its place,	Correspond. <ul style="list-style-type: none"> Upon reply, continue processing based on the information received. If no reply, enter the taxpayer's amount in Field 06IAV and enter 3 in Field 01CCC. 	# #
contains no entries on any of the transcribed lines (Lines 22, 23, 24, and 51),	Enter \$1 in Field 06IAV and continue processing the return.	# #
An entry is present in any of the Section 06 fields and there are no entries present in any of the Section 04 fields and it is apparent that Form 1041 is a non-taxable return (i.e., a "4" is present in Field 01FID and a "3" is present in Field 01TRC) and/or the taxpayer has notated that they are a Non-Taxable Grantor Trust on the return,	DLSEC 06.	
	Enter the amount in Field 06IAV.	# #

Note: In the case of a taxpayer error on a manual computation return, if the tax examiner's computation disagrees with **both** the computer-generated amount **and** the taxpayer's amount, the "Rule of Two" is not satisfied until a second examiner's computation arrives at the same results as the first examiner's computation.

- (4) Determine if Field 06I24 equals Line 42 of Schedule I.

If...	And...	Then...
Line 24 is blank,	Line 42 has an amount,	Enter Line 42 amount in Field 06I24.
Taxpayer has used a negative amount on Sch I, Line 24 (Field 06I24),	the tax computation is greater than the underprint,	Accept the taxpayer's amount on Line 1c, Schedule G and enter in Field 06IAV.

- (5) Determine if Field 06I52> equals Line 52 of Schedule I.

Caution: Ensure that the Schedule I goes with the return by seeing if Schedule I, Line 54 is the same as Form 1041, Schedule G, Line 1c. If the amounts are different, the Schedule I is for a prior year return. Correspond with taxpayer for the correct Schedule I.

If...	Then...
Field 06I52> equals Line 52 of Schedule I,	Assign TPNC 23. Note: EC 863 should then display.
Field 06I52> does not equal Line 52 of Schedule I,	1. Determine if manual computation is necessary. 2. See Items (7) and (8), below.

- (6) If Error Code 860 is present, the return is for **Tax Year 2001 or prior**, and entries are present in **any** of Fields 06I02 through 06i51, delete the entries in Fields 06I02 through 06i51 and process as follows:

1. Enter the amount from Line 7 of Schedule I in Field 06I22.
2. Enter the amount from Line 9 of Schedule I in Field 06I24.
3. Enter the amount from Line 36 of Schedule I in Field 06I51.

- (7) If a **short period return** displays due to the taxpayer annualized Alternative Minimum Tax:

2. Enter the amount in Field 06IAV.

#

- (8) If entries are present in Part IV of Schedule I:

2. Enter the amount in Field 06IAV. If taxpayer has computed the amount to zero (\$0), enter \$1 in Field 06IAV.

#

- (9) If all corrections have been made and the computer's figure is correct, assign TPNC 23.

3.12.14.25.41.3
(01-01-2016)

**Valid Taxpayer Notice
Codes — Error Code 860**

- (1) Valid TPNCs for Error Code 860 are:

TPNC	Literal
05	We found an error in the computation of your total income tax.
23	We found an error in the computation of the Alternative Minimum Tax.

TPNC	Literal
24	We changed your Form 1041, U.S. Income Tax for Estates and Trusts because: <ul style="list-style-type: none"> You computed your Alternative Tax incorrectly, or We computed your tax using the Alternative Tax because it reduced your tax.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.42
(01-01-2020)

**Error Code 861 - Net
Investment Income Tax**

(1) Error Code 861 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
28001	Taxable Interest
28002	Ordinary Dividends
28003	Annuity Non-qualifying Plans
2804C>	Rents & Royalties Adjustments Computer
2805D>>	Rents & Royalties Adjustments Computer
28006	Changed Investment Income
28007	Other Modified Investment Income
28008	Total Investment Income
>>>>>	Underprint Total Investment Income - Computer
28011	Total Deductions and Modifications
>>>>>	Underprint - Total Deductions and Modifications - Computer
28012>	Net Investment Income Computer
2818C>	Undistributed Net Investment Income Computer
2819C>	Adjusted Gross Income Less Highest Tax Bracket Computer
28020	Lessor of Undistributed Net Investment Income or Adjusted Gross Income Less Highest Tax Bracket

Field Designator	Field Name
>>>>>	Lessor of Undistributed Net Investment Income or Adjusted Gross Income Less Highest Tax Bracket Generated
2820V	(ERS Input Only)
28021	Net Investment Income Tax
>>>>>	Net Investment Income Tax Computer
05G05	Net Investment Income Tax - Schedule G

Note: S28NP means no section 28 data is present.

3.12.14.25.42.1
(01-01-2020)
**Invalid Condition - Error
Code 861**

(1) Error Code 861 will generate when any of the following conditions occur on
Form 1041 or Form 1041-QFT:

- If Field 28021 differs from Field 05G05, (Schedule G - Line 5, Net In-

#

3.12.14.25.42.2
(01-01-2024)
**Correction Procedures -
Error Code 861**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- Reminder:** It is important to GTSEC 28 and verify the transcription of Form 8960.
- (2) Form 8960, Net Investment Income Tax must be attached to Form 1041 if any entry (except zero or blank) is present on Line 5, Schedule G, of Form 1041. **Correspond** if Form 8960 is missing.
- (3) If there is an entry on Line 8 and no entries are on Lines 1 through 7, use the following:
- Line 1, Form 8960 comes from Line 1, Form 1041.
 - Line 2, Form 8960 comes from Line 2a, Form 1041.
 - Line 4a, Form 8960 comes from Line 5, Form 1041.
 - Line 4c, Form 8960 is the total of Lines 4a and 4b.
 - Line 5a, Form 8960 comes from the total of Lines 4 and 7, Form 1041.
 - Line 5d, Form 8960 is the total of Lines 5a, 5b, and 5c.

Note: If the entries still do not add up, use Line 7, Form 8960 for the difference, so that the total equals the amount on Line 8.

- (4) Only the following fields may contain negative amounts:
- 2804A
 - 2804B
 - 2805A
 - 2805B

- 2805C
 - 28006
 - 28007
 - 28008 and the underprint.
- (5) If there is a negative amount in any other field, delete them except any negative entries in Field 05G05. Change negative entry in Field 05G05 to a positive amount and send TPNC 70 when EC 861 falls out. Then ripple the TPNC 70 when the returns fall out for EC 902.
- (6) If there is an entry in **Field 28011** and no entries in Fields 2809A through 28010: input the amount in Field 28011 into Field 28010.
- (7) If there is an entry in **Field 28020** and no entries in Fields 2819A through 28019C>: input the amount in Field 28020 into Field 2819A.
- (8) If no misplaced entries, coding errors, and transcription errors are found, bring up the underprints for Field 28008 and/or Field 28011. If there is still a difference between the taxpayer's amount and the computer amount, in either Field 28021 or Field 05G05, use TPNC 70.
- (9) **Form 1041-QFT only** may be a consolidated return for multiple accounts. A consolidated Form 8960 is attached to the return, indicated by a write-in to the right of Line 19b, Form 8960. This indicates the number of accounts being consolidated. Each account is entitled to reduce their AGI by the highest tax bracket which is \$14,450 for Tax Period 202312 and later (See Exhibit 3.12.14-31 for prior year highest tax bracket amounts). The ERS tax examiners will:
1. Subtract 1 from the write in number.
 2. Multiply that number by \$14,450 (See Exhibit 3.12.14-31 for prior year highest tax bracket amounts).
 3. That total should equal the difference between the taxpayer's amount and the computer amount.
- #
- 2820V.
- (10) **Form 1041-QFT only** if the amount does not equal the difference, then the ERS tax examiner will:
1. Add \$14,450 to your total and subtract that total from Line 19a, AGI to get Line 19c (See Exhibit 3.12.14-31 for prior year highest tax bracket amounts).
 2. **Enter the smaller of** the Line 18c entry on the Form 8960, or the total you get for Line 19c into 2820V.
- (11) If no reply is received to our correspondence requesting Form 8960, follow these no reply instructions:
- Delete the entry in Field 05G05,
 - Accept the total tax from Line 9, Schedule G using Field 05MCT, and
 - Input CCC 3.

3.12.14.25.42.3
(01-01-2016)

Valid Taxpayer Notice Codes - Error Code 861

(1) Valid TPNCs for EC 8861 are:

TPNC	Literal
70	We changed the Net Investment Income Tax on your Form 8960 because there was an error due to: <ul style="list-style-type: none"> The computations used for Line 8, Line 11, Line 20, and/or Line 21, and/or The amount transferred from Line 21 to Line 4 on 1041, Schedule G.
90	Blank Notice

3.12.14.25.43
(01-01-2020)

Error Code 863 - Schedule G Total Tax

(1) Error Code 863 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01CCC	Computer Condition Code
01TXP	Tax Period
01ADC	Audit Code
05G1A	Schedule G Gross Tax
>>>>	Schedule G Gross Tax - Computer
05G1B	Schedule G Tax on Lump Sum Distributions
05G1C	Schedule G Alternative Minimum Tax
>>>>	Schedule G Alternative Minimum Tax - Computer
05G1D	Schedule G Total Tax
>>>>	Schedule G Total Tax Computer
05GVT	Schedule G Total Tax Verified

3.12.14.25.43.1
(01-01-2016)

Invalid Condition - Error Code 863

(1) Error Code 863 will generate when Field 05G1D (Schedule G - Total Tax) **and** Total Tax is in error.

#

3.12.14.25.43.2
(01-01-2016)

Correction Procedures - Error Code 863

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) Check all attachments to ensure that the entries were brought forward correctly.

3.12.14.25.43.2.1
(01-01-2016)

**Field 05G1A (Schedule
G Gross Tax)**

- (1) Field 05G1A represents the taxpayer's entry on Line 1a of the Schedule G.
- (2) Line 1a (Gross Tax) is determined by the taxpayer from either the Tax Rate Schedule or from Line 43, Schedule D.

Note: If the taxpayer checks the Box on Line 10 Form 1041 and there is an entry

Enter the taxpayer amount from line 1d into Field 05GVT, and continue processing.

#

3.12.14.25.43.2.2
(01-01-2016)

**Field 05G1B (Tax on
Lump-Sum Distributions
- Form 4972)**

- (1) The amount reported in Field 05G1B should be the same as the taxpayer's entry on Line 1b of Schedule G (Tax on Lump-Sum Distributions - Form 4972).
- (2) Verify the amount claimed in Field 05G1B with Line 30 of Form 4972 (Line 7 if an entry is **not** present on Line 30).

If...	Then...
The amount in Field 05G1B and Form 4972 are not equal	Enter the lesser amount in Field 05G1B.
The lessor amount is zero or blank and the Form 4972 is attached	Delete the entry in Field 05G1B.
4972 is not attached	Correspond for the missing Form 4972 (only if Code & Edit has not already done so). <ul style="list-style-type: none"> • Upon reply, process based on the information received. • If no reply, enter CCC "3" and continue processing the return.
Form 4972 is not attached	<ol style="list-style-type: none"> 1. Allow the entry. 2. Continue processing the return. 3. Do not correspond.

#

3.12.14.25.43.2.3
(01-01-2020)

**Field 05G1C (Alternative
Minimum Tax - Schedule
I)**

- (1) Field 05G1C is transcribed from Line 1c of Schedule G (Form 1041) and is supported by Schedule I, line 54 (Form 1041).

3.12.14.25.43.2.4
(01-01-2023)

**Field 05G1D (Total
Gross Tax)**

- (1) The amount reported in Field 05G1D should be the same as the taxpayer's entry on Line 1d of the Schedule G (Page 2 of the Form 1041).

before 200412 **and** the taxpayer computed the 15% tax on post May 5th gains using a 2003 Schedule D or attachment.

#

- (2) The underprint for Field 05G1D displays the computer-generated Total Tax and is determined by adding Line 1b and 1c to the **lesser** of Field 05TRS> or underprint for Field 1043(>>>>)from Line 1a of Schedule G.
- (3) If the taxpayer has listed other taxes as a write-in on the dotted portion of line 1d, see IRM 3.12.14.25.43.2.5, Field 05GVT (Schedule G - Total Gross Tax Verified).
- (4) **Field 1914 (Form 8978)** - Use CC GTSEC 19 to check for an entry in Field 1914. If there is an amount in Field 1914, see IRM 3.12.14.25.43.2.5, Field 05GVT (Schedule G - Total Gross Tax Verified).
- (5) If the taxpayer made an error figuring adding lines 1a through 1c of Schedule G, issue TPNC 05.

3.12.14.25.43.2.5
(01-01-2023)
Field 05GVT (Schedule G - Total Gross Tax Verified)

- (1) Field 05GVT is an **ERS Input Only** field that will be used whenever the computer is unable to calculate the correct amount for Gross Tax (Line 1d of Schedule G).
 - Field 05GVT represents the total of Lines 1a through 1c on Schedule G.
- (2) **Other Taxes** - If the taxpayer indicates that they are liable for "Other Taxes" on line 1d, Schedule G (Form 1041), determine Field 05GVT as follows:

If...	Then...
The difference between the underprint and the transcribed amount equals the write-in amount	Enter the taxpayer figure for Total Tax (line 1d) in Field 05GVT.
The difference between the underprint and the transcribed amount does not equal the write-in amount	<ol style="list-style-type: none"> 1. Manually verify Line 1d of Schedule G using the write-in amount. 2. Enter the manually verified Line 1d amount in Field 05GVT. 3. If there is a math error, assign the appropriate TPNC or prepare Letter 3833C to explain the adjustment.

Note: Examples of Other Taxes are Form 8978, Form 4970, Form 8621, Form 8697, IRC 453A(C), IRC 641(C), IRC 644, IRC 1291 or "Electing Small Business Trust" ("ESBT" or "Small Business Trust").

- (3) **Field 1914 (Form 8978)** - Use CC GTSEC 19 to check for an entry in Field 1914. If there is an amount in Field 1914, do the following...

Note: This amount is transcribed from line 14, Form 8978.

If	And	Then
The amount in Field 1914 is a positive amount,	The difference between Field 05G1D and its underprint equals the amount in Field 1914,	Enter the taxpayer figure for Total Tax (line 1d) in Field 05GVT.
The amount in Field 1914 is a positive amount,	The difference between Field 05G1D and its underprint does not equal the amount in Field 1914,	<ol style="list-style-type: none"> 1. Manually verify Line 1d of Schedule G by adding the amount in Field 1914 to the total of lines 1a through 1c, Schedule G. 2. Enter the manually verified Line 1d amount in Field 05GVT. 3. If there is a math error, assign the appropriate TPNC or prepare Letter 3833C to explain the adjustment.
The amount in Field 1914 is a negative amount,		Do not adjust Field 05GVT by the amount in Field 1914.

- (4) **ESBT** - Taxpayers are instructed to report a special tax for Electing Small Business Trusts (ESBT) by checking the “ESBT” box in Section “A” (Type of Entity) of Form 1041. If the taxpayer has checked the ESBT box in Section “A” or has notated “Electing Small Business Trust”, “ESBT” or “IRC 641(c)” and has entered the ESBT amount on Line 1a of Schedule G, compute Line 1d using the taxpayer’s Line 1a amount and enter in Field 05GVT.
- (5) Sometimes, taxpayers paying write-in IRC 1291 tax may also pay interest on that tax and indicate it on Form 1041, page 1, bottom margin. Add both the IRC 1291 tax and interest to Fields 0523 and 05MCT.
- (6) See IRM 3.12.14.26for Manual Computation Instructions.

3.12.14.25.43.3
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 863**

- (1) Valid TPNCs for Error Code 863 are:

TPNC	Literal
05	We found an error in the computation of your total income tax.

TPNC	Literal
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
41	We computed your tax for you.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.44

(1) Fields Displayed:

(01-01-2024)

Error Code 864 - Clean

Vehicle Credit (CVC)

Disallowance

Field Designator	Field Description	Form Line
01TXP	Tax Period	Edited top right margin of Form 1041
311VI	Vehicle identification number (VIN) for 1st Sch. A	Part I, Line 2, 1st Schedule A
311DT	Placed in service date for 1st Sch. A	Part I, Line 3, 1st Schedule A
31109	Tentative credit amount for 1st Sch. A	Part II, Line 9, 1st Schedule A
31111	Credit amount for business use of new clean vehicle for 1st Sch. A	Part II, Line 11, 1st Schedule A
>>>>>	Computer amount for Field 31111	Part II, Line 11, 1st Schedule A (computer)
31117	Smaller of Line 15 or Line 16 for 1st Sch. A	Part II, Line 17, 1st Schedule A
31126	Smaller of Line 24 or Line 25 for 1st Sch. A	Part II, Line 26, 1st Schedule A
>>>>>	Computer amount for Field 31126	Part II, Line 26, 1st Schedule A (computer)
311IN	Indicator field for results of MeF check of VIN against VIN database	n/a
312VI	Vehicle Identification Number (VIN) for 2nd Sch. A	Part I, Line 2, 2nd Schedule A
312DT	Placed in service date for 2nd Sch. A	Part I, Line 3, 2nd Schedule A
31209	Tentative credit amount for 2nd Sch. A	Part I, Line 9, 2nd Schedule A
31211	Credit amount for business use of new clean vehicle for 2nd Sch. A	Part I, Line 11, 2nd Schedule A
>>>>>	Computer amount for Field 31211	Part I, Line 11, 2nd Schedule A (computer)

Field Designator	Field Description	Form Line
31217	Smaller of Line 15 or Line 16 for 2nd Sch. A	Part I, Line 17, 2nd Schedule A
31226	Smaller of Line 24 or Line 25 for 2nd Sch. A	Part I, Line 26, 2nd Schedule A
>>>>>	Computer amount for Field 31226	Part I, Line 26, 2nd Schedule A (computer)
312IN	Indicator field for result of MeF check of 2nd VIN against VIN database	n/a
31RED>	Computer amount of reduction of the CVC credit	n/a
31RDV	Verified amount of reduction of the CVC credit ERS input only	n/a
313IN	Indicator (More than 2 Schedule As attached)	Edited bottom right margin of Page 2, 2nd Form 8936, Schedule A,

3.12.14.25.44.1
(01-01-2024)

- (1) Error Code 864 will generate when Field 31RED> (Computer amount of reduction of the CVC credit) is greater than zero.

Invalid Condition - Error Code 864:

3.12.14.25.44.2
(01-01-2024)

- (1) Correct coding errors, transcription errors, and misplaced entries.

Correction Procedures - Error Code 864:

If	And	Then
The return was filed as a paper return,	Field 311IN or 312IN have a value of "1",	Enter "0" in field 311IN and/or 312IN.
The return was electronically filed (MeF),	Field 311IN or 312IN have a value of "1",	Send TPNC 74.

- (2) The valid TPNCs for Error Code 864 are 74 and 90.

3.12.14.25.45
(01-01-2024)

- (1) Error Code 866 will display as follows:

Error Code 866 - General Business Credits

Field Designator	Field Description	Line Location
TPNC	Taxpayer Notice Code	
01TXP	Tax Period	
01MSC	Reserved	
05G2N	Schedule G Other Non-business credits ERS Input Only	Line 3
05G2A	Schedule G Foreign Tax Credit	Line 2a
05G2B	Schedule G General Business Credit	Line 2b
052BV	Schedule G General Business Credit Verified	Line 2b ERS Input Only
>>>>	General Business Credit Computer	Line 2b Computer under-print
05G2C	Schedule G Prior Year Minimum Tax Credit.	Line 2c
06I52>	Schedule I Tentative Minimum Tax Computer	Line 54, Schedule I Computer under-print
23022	Form 3800 Empowerment Zone Credit (Form 8844)	Line 22, Form 3800, Part II
31RED>	Reduced amount of nonrefundable CVC credit.	n/a

Note: The literal “Section 06 not present” will display if no entries are present in Section 06. The literal “Section 23, 24, and/or 25 not present” will display if no entries are present in Section 23, 24, and/or 25.

3.12.14.25.45.1
(01-01-2016)

Invalid Condition - Error Code 866

(1) Error Code 866 will generate when Field 05G2B differs from General Business

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Note: To arrive at Field 05G2B the computer will add 23001 + 23003 + 23004 + 23005 to compute Line 6, Part I. Then, it adds 23030 + 23031 + 23033 + 23034 + 23035 to compute Line 36, Part II. To arrive at Line 37, Part II, it will use the lesser of Line 36, Part II, or Line 29, Part II. It then uses 23028 + Line 37 Part II (as computed above) to compute Line 38, Part II (General Business Credit Computer).

(2) For tax years 2022 and prior, there may be multiple Form 3800, page 3(s) attached to the return. C&E will place the consolidated Part III (page 3) that has Box “I” checked after page 2, and that will be transcribed.

3.12.14.25.45.2
(01-01-2024)

**Correction Procedures -
Error Code 866**

- (1) Correct all misplaced and omitted entries, coding errors and transcription errors.

Note: Look for write-in taxes on Schedule G, if there is a write-in tax, add that to any other tax and enter the total amount into 05GVT.

- (2) If EC 866 was generated because of the action taken when EC 840 was resolved, send TPNC 31 or 40 as appropriate. Before sending the TPNC, ensure no other error conditions (as listed below) exist.
- (3) If EC 866 “rippled” from EC 864 (and there is no other error), send TPNC 74.
- (4) GTSEC 23, 24, and 25 and verify that all lines are transferred to appropriate fields as follows:
- Often taxpayers have difficulties when it comes to transferring Form 3800 entries onto the correct lines.

Example: An amount entered in column (f) of Part IV, line 1a should also be entered on Part II, line 34.

Box	Part III, Line 2	Part III, Lines 3 and 5
A	23001	23030
B	23003	23033
C	23004	23034
D	23005	23035

- Verify that line 14, Part II of Form 3800, matches Field 06I52>. If there is a difference, GTSEC 06 and verify transcription for Schedule I.
- (5) Field 05G2B is transcribed from Line 2b of Schedule G (Form 1041). Field 05G2B is the total of credits allowed from Form 3800.
- (6) If the computer cannot calculate the correct amount of General Business Credit, use Field 052BV to enter the correct amount. Usually, if EC 840 and/or EC 868 determine that the Form 8941 credit is not allowed, the amount should be zero. Enter \$1 in the field.
- (7) The underprint (>>>>) is the Computer-Generated General Business Credit that is calculated from the transcribed lines on the Form 3800, Parts I and II only. Part III transcription is not part of this calculation.
- (8) A complete Form 3800 must be attached to Form 1041 if any of the General Business Credits are claimed.

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Form 3800 isnot attached, correspond.

- (9) The supporting form **must** be attached when a credit is claimed on any of lines 1a through 4k, Form 3800, Part III, unless there is an EIN in column (d) of that same line (or in column (b) for revision 2022 and prior), indicating the credit is from a pass-through entity:

Caution: CCC "C" will be used if these forms are attached to the return and have invalid in-service dates and/or vehicle years:

Form 8834 - valid in-service date after 2/17/2009, vehicle year 2009, 2010, and 2011.

Form 8936 - valid in-service date after 1/01/2009, vehicle year 2009, 2010, and 2011.

Form 8910 - valid in-service date after 2/17/2009.

#

spond.

- (11) When a difference occurs, compare Field 06I52> to Line 52 of Schedule I:

If...	Then...
Field 06I52> does not match Line 52 on Schedule I,	GTSEC 06 and correct the Schedule I entries. IRM 3.12.14.25.41, Error Code 860 - Alternative Minimum Tax.
Field 06I52> matches Line 52 on Schedule I and the Tentative Minimum Tax claimed on the General Business Credit form,	Assign TPNC 31

- (12) Passive Activity entries on Lines 3, 5, 6 and/or 7 of the 2010 and prior versions of Form 3800 may cause Error Code 866.

If...	Then...
If none of the previous conditions apply and there are entries on Form 3800, Lines 3, 5, 6 and/or 7,	Verify the tax taking into consideration any previous errors and enter amount in Field 05GVT.

- (13) If none of the above conditions apply and one or more of these credits are **not** claimed **and** Form 3800, Line 38, does not match Field 05G2B, then send TPNC 31.

3.12.14.25.45.3
(01-01-2024)

**Valid Taxpayer Notice
Codes - Error Code 866**

- (1) Valid TPNCs for Error Code 866 are:

TPNC	Literal
05	We found an error in the computation of your total income tax.
08	The credit claimed was more than the law allows.
31	We found an error in the computation of the General Business Credit on Form 3800.

TPNC	Literal
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
74	We didn't allow all or part of the credit claimed as clean vehicle credit on your return because one or more of the Vehicle Identification Numbers (VIN) reported on Schedule A (Form 8936), Clean Vehicle Credit Amount, didn't match our records.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.46
(01-01-2020)

**Error Code 868 - Credit
for Small Employer
Health Insurance
Premiums (Form 8941)**

(1) Error Code 868 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Codes
21CBX	SHOP Check Box
21LNB	EIN
21BXC	Credit Period Limitation Check Box
21LN1	Number of Individuals Employed
2102	Number of Full Time Employees
2103	Average Annual Wages
2104	Health Insurance Premiums Paid
2105	Premiums You Would Have Paid
2110	Premium Subsidies Paid
2111>	Amount on Line 11 - Computer
2112>	Amount on Line 12 - Computer
2113	Number of Employees with Premiums Paid
2114	Number of Full Time Employees with Premiums Paid
2115	Credit for small employer health insurance premiums from estates and trusts
2116	Sum of 12 and 15
2117	Amount allocated to beneficiaries of the estate or trust.
2118	Cooperatives, estates, and trusts, subtract Line 17 from Line 16
>>>>	Amount on Line 18 - Computer

Field Designator	Field Name
2118V	Verified amount of Line 18, ERS Input Only
2504H	Line 4h, Form 3800

Note: The literal S21NP indicates no date present.

3.12.14.25.46.1
(01-01-2016)

**Invalid Condition - Error
Code 868**

- (1) Error Code 868 will generate when **any** of the following conditions exist:

- We corresponded with the taxpayer and they confirmed that the “No” check box on Form 8941 should have been checked.
- If the taxpayer checked “No” and we received no reply to our correspondence asking them to confirm which box was supposed to be checked.

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3.12.14.25.46.2
(01-01-2024)

**Correction Procedures -
Error Code 868**

- (1) Correct all coding and transcription errors, and misplaced entries.
- (2) If EC 868 was generated because of the action taken when EC 840 was resolved, GTSEC 23, and subtract the amount of the 8941 credit from Field 23030, then assign TPNC 54.
- (3) If an amount is on Line 4h, Form 3800, Part III, with no EIN next to it and Form 8941 is not attached or incomplete, correspond.

Note: Form 3800 is required, when the total of the general Business Credits is

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- (4) If the credit is from a pass-through entity, indicated by an EIN next to the credit on Form 3800, Part III, Line 4h, input the credit amount into Field 2118V to resolve the error.

Caution: For tax periods 201101 through 202212, any carryover of Form 8941 credit, must be reported on Part III of Form 3800 with box “C”, “D”, or “G” checked at the top. **Form 8941 is not required.** GTSEC 21 and enter the amount of credit being claimed at Line 4H of Form 3800 into Fields 2118V. In 2011, this reporting was moved to Form 3800. The carry-forwards, carrybacks, and passive activity limitations for this credit are no longer reported on Form 8941. Instead, they must be reported on Form 3800, General Business Credit.

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spond with the taxpayer for the missing form.

- (6) Follow the tables below for additional corrections and which TPNC to use:

If...	And...	Then...
Line 2 is larger than 25,	Line 12 is underprinting an amount that differs from the taxpayer's entry,	Assign TPNC 49.
Line 3, Form 8941 is: <ul style="list-style-type: none"> • \$62,000 or more for tax year 2023 • \$58,000 or more for tax year 2022 • \$56,000 or more for TY 2021 and TY 2020 • \$55,000 or more TY 2019 • \$54,000 or more TY 2018 • \$53,000 or more for TY 2017, • \$52,000 or more for TY 2015 and TY 2016, • \$51,000 or more, for TY 2014 • \$50,000 or more for Tax Year (TY) 2010 through TY 2013 	Line 12 is underprinting an amount that differs from the taxpayer's entry,	Assign TPNC 53.
Field 2118 differs from its underprint,		Assign TPNC 47
Field 2118 differs from Field 2504H		Assign TPNC 47
We correspond for Form 8941 or an entry for it,	Receive no response,	Assign TPNC 48.
Line A, SHOP check box No is checked,		<ul style="list-style-type: none"> • Ensure that 2 is entered into Field 21CBX, • Ensure that Field 2118 has been deleted, GTSEC 23, and subtract the amount of the 8941 credit from Field 23030, and • Assign TPNC 54. See IRM 3.12.14.25.32.3, Suspense Correction - Error Code 840.

If...	And...	Then...
Line C, Credit Period Limitation check box Yes is checked,		<ul style="list-style-type: none"> • Ensure that 2 is entered into Field 21CBX, • Ensure that Field 2118 has been deleted, GTSEC 23, and subtract the amount of the 8941 credit from Field 23030, and • Assign TPNC 54. <p>See EC 840 IRM 3.12.14.25.32.2, Suspense Correction - Error Code 840.</p>

3.12.14.25.46.3
(01-01-2020)

**Valid Taxpayer Notice
Codes - Error Code 868**

(1) Valid TPNCs for Error Code 868 are:

TPNC	Literal
05	We found an error in the computation of your total income tax.
08	The credit claimed was more than the law allows.
31	We found an error in the computation of the General Business Credit on Form 3800.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
47	We changed the amount you claimed as Credit for Small Employer Health Insurance Premiums on Form 3800, General Business Credit. You figured the credit incorrectly on Form 8941, Credit for Small Employer Health Insurance Premiums, Line 16, or Line 18, or transferred it incorrectly to Form 3800, Part III, Line 4h.
48	We didn't allow the Credit for Small Employer Health Insurance Premiums claimed on Form 3800, General Business Credit. The required Form 8941 was incomplete or wasn't attached to your tax return. (No reply to correspondence only)

TPNC	Literal
49	We adjusted your Form 8941, Credit for Small Employer Health Insurance Premiums. On Form 8941, Line 2 you reported 25 or more full-time equivalent employees for the tax year and figured Line 12 incorrectly.
53	We adjusted your Form 8941, Credit for Small Employer Health Insurance Premiums. On Form 8941, Line 3 you reported average annual wages paid for the tax year over the maximum amount and figured Line 12 incorrectly.
54	We didn't allow the amount you claimed as Credit for Small Employer Health Insurance Premiums on your tax return. Based on your response to the questions on Form 8941, line A and/or line C, you can't claim the credit because: <ul style="list-style-type: none"> You didn't participate in a Small Business Health Options Program (SHOP), and /or You already received the credit for two consecutive years.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.47
(01-01-2022)

Error Code 870 - Check Refundable Credit Qualified Sick & Family Leave Schedule H Amount (L17, Sch. G)

(1) Error Code 870 will display as follows:

Field Designator	Field Name	Line Number
01TXP	Tax Period	Top Page 1 Left of OMB Box
05G17	Refundable Credit Qualified Sick & Family Leave Schedule H Amount for leave taken before April 1, 2021 (Valid 202012 - 202311)	17, Sch. G (2020 through 2022)
0708E	Schedule H Refundable Credit Qualified Sick & Family Leave for leave taken before April 1, 2021	8e, Sch. H
0518A	Credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Valid 202112 - 202311)	18, Sch G (2021 and 2022)

Field Designator	Field Name	Line Number
0708F	Refundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021	8f, Sch H

3.12.14.25.47.1
(01-01-2022)

Invalid Condition - Error Code 870

- (1) Error Code 870 will generate when **all** the following conditions exist:

- Tax Period is 202012 and later.
- Difference between Field 05G17 and Field 0708E, or between 0518A

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3.12.14.25.47.2
(01-01-2022)

Correction Procedures - Error Code 870

- (1) Compare the return to the screen display and correct any transcription errors or obvious misplaced entries.

If	Then
Field 05G17 does not match field 0708E,	enter the 0708E amount into 05G17.
Field 0708E is blank,	delete 05G17.
Field 0518A does not match field 0708F,	enter the 0708F amount into 0518A.
Field 0708F is blank,	delete 0518A.

- (2) If error codes 896 or 902 generate as a result of any actions listed in the table above, send TPNC 71.

3.12.14.25.48
(01-01-2022)

Error Code 871 - Check Deferred Social Security Tax Schedule H Amount (L18, Sch. G)

- (1) Error Code 871 will display as follows:

Field Designator	Field Name	Line Number
01TXP	Tax Period	Top Page 1 Left of OMB Box
0701A	Schedule H Total Social Security Wages	1a, Sch. H
0701B	Schedule H Social Security Qualified Sick & Family Leave Wages	1b, Sch. H
0702A>	Schedule H Social Security Taxes Computer	2a, Sch. H Computer Gen.

Field Designator	Field Name	Line Number
0702B>	Schedule H Social Security Qualified Sick & Family Leave Wages Computer	2b, Sch. H Computer Gen.
0702C>	Schedule H Social Security Taxes Less Qualified Sick & Family Leave Wages Computer	2c, Sch. H Computer Gen.
07DEF	Schedule H Maximum Social Security Tax Deferred	8d, Sch. H
07DEF>	Schedule H Maximum Social Security Tax Deferred Computer	8d, Sch. H Computer Gen.
0518B	Deferred Social Security Tax Schedule H Amount	18, Sch. G

3.12.14.25.48.1
(01-05-2022)

Invalid Condition - Error Code 871

- (1) Error Code 871 will generate when **all** the following conditions exist:

- Tax Period is 202012 - 202111.

#

3.12.14.25.48.2
(01-01-2022)

Correction Procedures - Error Code 871

- (1) Compare the line entries on the form to the screen display and correct any transcription errors of obvious misplaced entries.

If	Then
Field 0518B does not equal 07DEF>.	enter the 07DEF> amount into 0518B. If EC 896 or 902 generate as a result, send TPNC 72.

3.12.14.25.49
(01-01-2022)

Error Code 872 - Schedule H SS Taxes

- (1) Error Code 872 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
0701A	Schedule H - Total Social Security Wages
0701B	Schedule H Social Security Qualified Sick & Family Leave Wages
0702A>	Schedule H - Social Security Taxes - Computer
0702B>	Schedule H Social Security Qualified Sick & Family Leave Wages Computer
0702C>	Schedule H Social Security Taxes Less Qualified Sick & Family Leave Wages Computer
0703	Schedule H - Total Medicare Wages
0704>	Schedule H - Medicare Taxes - Computer
0705	Schedule H - Total Cash Wages Subject to Additional Medicare Tax W/H
0706	Schedule H - Additional Medicare Tax W/H
>>>>	Schedule H - Additional Medicare Tax W/H - Computer
0707	Schedule H - Federal Income Tax Withheld
0708A	Schedule H - SS/Medicare/WH Taxes
0708A>	Schedule H - Total SS/Medicare/WH Taxes - Computer
0708B	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken for leave taken before April 1, 2021.
0708C	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021
0708D	Total social security, Medicare, and federal income taxes after nonrefundable credits.
0708D>	Total social security, Medicare, and federal income taxes after nonrefundable credits - computer amount.
0708V	Schedule H - Total Non-FUTA Tax Verified
0797	Schedule H - Advance EIC for returns 201111 and Earlier
0798	Schedule H - Total SS/Medicare/WH Taxes 201111 and earlier

Field Designator	Field Name
0798>	Schedule H - Total SS/Medicare W/H Taxes 201111 and earlier Computer
0798V	Schedule H - Total SS/Medicare W/H Taxes 201111 and earlier Verified
07FTX	Schedule H - FUTA Tax
>>>>	Schedule H - FUTA Tax - Computer
05G07	Schedule G Household Employment Taxes
07HTX>	Schedule H Household Employment Taxes Computer

3.12.14.25.49.1
(01-01-2022)

Invalid Condition - Error Code 872

(1) Error Code 872 will generate when **either** of the following conditions exist:

- If The Tax Period is greater than 201111 and less than 202012 and Field 05G07 is **not** equal to Field 07HTX>; **and** Field 0708A differs from Field

#

- If The Tax Period is 202012 - 202111 and Field 05G07 is **not** equal to Field 07HTX>; **and** Field 05G07 differs from the sum of Field 0708A>

#

- If The Tax Period is 202112 and subsequent and Field 05G07 is **not**

#

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Note: Employers are required to pay Social Security Tax at a rate of 12.4% **and** to pay Medicare Tax at a rate of 2.9% for their household employees. The employer's rate is 15.3% for all reported wages.

3.12.14.25.49.2
(06-16-2024)

Correction Procedures - Error Code 872

(1) Correct all misplaced entries, coding errors, and transcription errors.

(2) If an entry is present in Field 0708A **and** no entries are present in Fields 0701A, 0701B, 0703, 0705, 0706 or 0707:

- Calculate Fields 0701A and 0703 by dividing Field 0708A by 15.3% (0.153).
- Enter the result in Fields 0701A and 0703.
- If Error Code 872 reappears, correspond for completion of Page 1 of Schedule H.

(3) If Error Code 872 results from corrections made in Error Code 162, process as follows:

If...	Then...
<p>Fields 0701A or 0703 contain any of the following entries:</p> <ul style="list-style-type: none"> • •Less than \$2,600 for tax period 202312 through 202411. • •Less than \$2,400 for tax period 202212 through 202311. • •Less than \$2,300 for tax period 202112 through 202211. • Less than \$2,200 for tax period 202012 through 202111. • Less than \$2,100 for tax period 201812 through 202011. • Less than \$2,000 for tax period 201612 through 201811. • •Less than \$1,900 for tax period 201412 through 201611. • •Less than \$1,800 for tax Period 201212 through 201411, • Less than \$1,700 for tax Period 200912 through 201211, • Less than \$1,600 for tax Period 200812 through 200911, • Less than \$1,500 for tax Period 200612 through 200811, 	<ol style="list-style-type: none"> 1. Delete the entries in Field 0701A and/or 0703. 2. Assign TPNC 57.
<p>Math error in the taxpayer's amount for any of the following fields:</p> <ul style="list-style-type: none"> • 0702A> • 0702B> • 0702C> • 0704> . 	Assign TPNC 55.
Math error in adding lines 2c, 4, 6 and 7.	Assign TPNC 55.
The tax period is 202012 through 202111 and the taxpayer computed FUTA tax incorrectly on line 16 or line 24,	Assign TPNC 90 with the following literal... "We found an error in the computation of the federal unemployment tax on Schedule H, Household Employment Taxes."

- (4) If the Tax Period is 202011 and prior and the employer indicates an adjustment related to Social Security and/or Medicare Tax:

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2. Enter the amount from Line 8 to Field 0708V.

- (5) If the Tax Period is 202012 - 202111 and the employer indicates an adjustment related to Social Security and/or Medicare Tax:

#

2. Enter the amount from Line 8C to Field 0708V.

- (6) If the Tax Period is 202112 or subsequent, and the employer indicates an adjustment related to Social Security and/or Medicare Tax:

#

2. Enter the amount from Line 8D to Field 0708V.

3.12.14.25.49.3
(01-01-2023)

**Suspense Correction -
Error Code 872**

- (1) Determine if reply has been received:

If...	Then...
Reply received	Continue processing based on the information received.
No reply	<p>a. If the Tax Period is 202011 and prior:</p> <ul style="list-style-type: none"> Enter the amount from Field 0708A in Field 0708V. Enter 3 in Field 01CCC. <p>b. If the Tax Period is 202012 - 202111:</p> <ul style="list-style-type: none"> Enter the amount from Field 0708C in Field 0708V. Enter 3 in Field 01CCC. <p>c. If the Tax Period is 202112 or subsequent:</p> <ul style="list-style-type: none"> Enter the amount from Field 0708D in Field 0708V. Enter 3 in Field 01CCC.

3.12.14.25.49.4
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 872**

- (1) Valid TPNCs for Error Code 872 are:

TPNC	Literal
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
51	We found an error on Schedule H, Household Employment Taxes. The error was in: <ol style="list-style-type: none"> The computation of the total tax and/or The transfer of that amount to page 2 of Form 1041.
55	We found an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes: <ol style="list-style-type: none"> Social Security Medicare Federal income taxes.

TPNC	Literal
57	The amount of cash wages you reported on Schedule H, Household Employment Taxes, was not enough to be considered taxable for employment tax purposes. Any Social Security and Medicare tax withheld should be returned to your employee. You may also have to file Form W-2C, Corrected Wage and Tax Statement, to correct the Social Security and Medicare wages you reported.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.50
(01-01-2021)

**Error Code 875 - Check
Schedule H Total Social
Security, Medicare, &
Withheld Taxes (Field
0798)**

(1) Error Code 875 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
0701A	Schedule H Total Social Security Wages
0702A>	Schedule H Social Security Taxes Computer
0703	Schedule H Total Medicare Wages
0704>	Schedule H Medicare Taxes Computer
0707	Schedule H Federal Income Tax Withheld
0708A	Schedule H SS/Medicare/WH Taxes
0708A>	Schedule H SS/Medicare/WH Taxes - Computer
0708V	Schedule H SS/Medicare/WH Taxes Verified
0798	Schedule H Total SS/Medicare/WH Taxes 201111 and Earlier
0798>	Schedule H Total SS/Medicare/WH Taxes 201111 and Earlier
0798V	Schedule H Total SS/Medicare W/H Taxes 201111 and Earlier Verified
07FTX	Schedule H FUTA Tax
>>>>	Schedule H FUTA Tax Computer
05G07	Schedule G Household Employment Taxes
07HTX>	Schedule H Household Employment Taxes Computer

3.12.14.25.50.1
(01-01-2020)

**Invalid Condition - Error
Code 875**

- (1) Error Code 875 will generate when the return is before 201112 and **all** the following conditions exist:

- Field 05G07 is **not** equal to Field 07HTX>; **and**

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Reminder: Error Code 875 may generate because of changes made on Error Code 174. See 3.12.14.18.49.2(3) below.

3.12.14.25.50.2
(01-01-2021)

**Correction Procedures -
Error Code 875**

- (1) Verify Field 05G06, GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors. See IRM 3.12.14.13.3.1, Field 0701 - Schedule H Total Social Security Wages
- (2) If an entry is present in Field 0798 **and** no entries are present in Fields 0701A, 0703, and 0707:
1. Calculate Fields 0701A and 0703 by dividing Field 0798 by 15.3% (0.153)
 2. Enter the result in Fields 0701A and 0703.
- (3) If EC 875 generates because of a correction made in EC 174, and the return is 201012 or prior, assign TPNC 90 with the following literal:
"You figured your household employment taxes incorrectly. The advance earned-income credit payment cannot be more than the appropriate percent of the total wages you paid. We adjusted your schedule h accordingly. "
- (4) **Before assigning a TPNC**, check for a misplaced entry or transcription error involving Field 0707:

If...	Then...
Math error in subtracting Field 0707 from Field 0706	Assign TPNC 58. Note: Condition applies to prior year only.
Form 1041 indicates an adjustment related to Social Security and/or Medicare tax	2. Enter the amount from Line 8 in Field 0798V.

#

3.12.14.25.50.3
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 875**

- (1) Valid TPNCs for Error Code 875 are:

TPNC	Literal
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.

TPNC	Literal
51	We found an error on Schedule H, Household Employment Taxes. The error was in: 1. The computation of the total tax and/or 2. The transfer of that amount to page 2 of Form 1041.
55	We found an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes: 1. Social Security 2. Medicare 3. Federal income taxes.
57	The amount of cash wages you reported on Schedule H, Household Employment Taxes, was not enough to be considered taxable for employment tax purposes. Any Social Security and Medicare tax withheld should be returned to your employee. You may also have to file Form W-2C, Corrected Wage and Tax Statement, to correct the Social Security and Medicare wages you reported.
58	We found an error in the subtraction of your employee's advance earned income credit from your total Social Security, Medicare, and income tax withheld on Schedule H, Household Employment Taxes.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.51
(01-05-2021)

**Error Code 878 - Check
Schedule H FUTA Tax
(Field 07FTX)**

(1) Error Code 878 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
07FIN	Schedule H FUTA Yes/No Indicator
07SC1	Schedule H State Code 1
07SC2	Schedule H State Code 2
07FCP	Schedule H Unemployment Contributions Paid
07TFW	Schedule H Total FUTA Wages
07TTC	Schedule H Tentative Credit
07BAS>	Schedule H Base Amount - Computer
07MAX>	Schedule H FUTA Maximum Amount - Computer
07SML>	Schedule H FUTA Smaller Amount - Computer
07TCR	Schedule H Total Credit Reduction Amount
>>>>	Schedule H Total Credit Reduction Amount Computer
07FTX	Schedule H FUTA Tax
>>>>	Schedule H FUTA Tax - Computer
07CWC>	Schedule H Total Credit Reduction Wages Computer
0708A	Schedule H Total SS/Medicare/WH Taxes
0708A>	Schedule H Total SS/Medicare/WH Taxes Computer
0798	Schedule H Total SS/Medicare/WH Taxes 201111 and earlier
0798>	Schedule H Total SS/Medicare/WH Taxes 201111 and earlier Computer
07HTX>	Schedule H Household Employment Tax Computer
05G07	Schedule G Household Employment Taxes

3.12.14.25.51.1
(01-01-2020)

Invalid Condition - Error Code 878

- (1) Error Code 878 will generate when **both** of the following conditions exist:

- Field 05G07 is **not** equal to Field 07HTX>; **and**

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3.12.14.25.51.2
(01-01-2016)

Correction Procedures - Error Code 878

- (1) Verify Field 05G07, GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
- (2) When Field 07FIN is blank, the computer will apply Section A (Part II) of Schedule H.

Note: 07FIN must be 1 if the credit reduction applies so the computer will apply Section B.

- (3) An entry **must** be present in Field 07TFW for FUTA Tax to be computed. If Field 07FTX has an entry with no intervening amounts in Field 07FTW:
 1. Manually compute Field 07TFW by dividing Field 07FTX by 0.6% (0.006).
 2. Enter the computed amount in Field 07FTW.
- (4) **For tax year 2011 only**, on Schedule H, ensure that the FUTA Tax (Field 07FTX) is equal to or greater than 0.8% (0.008) of the FUTA Total Wages

FUTA Tax into 07FTV, if not correspond for the breakdown of the wages:

 - Wages paid before July 1, 2011 are taxed at 0.008%
 - Wages paid July 1, 2011 through 201212 are taxed at 0.006%

Note: Correct field 07SC1 to prevent the return from falling out as EC 181.
- (5) The following fields are the computer-generated fields in Section B:
 - **Field 07BAS>** - The computer-generated amount for **Line 21**. Determined by multiplying Field 07TFW by 6.2% (6.0% for 2011 and 2012 tax years).
 - **Field 07MAX>** - The computer-generated amount for **Line 22**. Determined by multiplying Field 07TFW by 5.4%.
 - **Field 07SML>** - The computer-generated amount for **Line 23**. Determined from the smaller of Field 07TTC or Field 07MAX>.
- (6) For a basic FUTA math error, assign TPNC 50.
- (7) If there are Credit Reduction States in Fields 07SC1 - 07SC5, but no Credit Reduction Wages and it ripples to EC 878 send TPNC 60.

3.12.14.25.51.3
(01-01-2016)

Valid Taxpayer Notice Codes - Error Code 878

- (1) Valid TPNCs for Error Code 878 are:

TPNC	Literal
50	We found an error in the computation of the federal unemployment tax on Schedule H, Household Employment Taxes.
51	We found an error on Schedule H, Household Employment Taxes. The error was in: <ol style="list-style-type: none"> 1. The computation of the total tax and/or 2. The transfer of that amount to page 2 of Form 1041.
52	We adjusted the federal unemployment tax on your Schedule H, Household Employment Taxes because we did not receive a reply to our request for additional information.

TPNC	Literal
55	We found an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes: 1. Social Security 2. Medicare 3. Federal income taxes.
60	We found an error in the computation of the credit reduction amount from Schedule H or it was omitted. We adjusted your household employment taxes accordingly.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.52
(01-01-2022)

**Error Code 881 - Check
Schedule G Household
Employment Taxes
(Field 0507G)**

(1) Error Code 881 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
0708D	Total social security, Medicare, and federal income taxes after nonrefundable credits.
0708D>	Total social security, Medicare, and federal income taxes after nonrefundable credits - computer amount.
0798	Schedule H Total SS/Medicare/WH Taxes (201111 and earlier)
0798>	Schedule H Total SS/Medicare/WH Taxes (201111 and earlier) Computer
07FTX	Schedule H FUTA Tax
>>>>	Schedule H FUTA Tax - Computer
05G07	Schedule G Household Employment Taxes
07FTV	Schedule H FUTA Tax Verified
07HTX>	Schedule H Household Employment Taxes Computer
07CC1	Schedule H Credit Reduction State 1
07CC2	Schedule H Credit Reduction State 2
07CC3	Schedule H Credit Reduction State 3
07CC4	Schedule H Credit Reduction State 4
07CC5	Schedule H Credit Reduction State 5
S07NP	SECTION 07 NOT PRESENT

Note: The literal “Section 07 not present” will display if no entries are in Section 07.

Exception: Fields 07CR1 through 07CR5 are “Credit Reduction” related. These computer-generated amounts will be zero, for states that are not valid credit reduction states.

3.12.14.25.52.1
(01-01-2020)

Invalid Condition - Error Code 881

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3.12.14.25.52.2
(01-01-2022)

Correction Procedures - Error Code 881

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.

If...	Then...
Schedule H is present but has not been transcribed,	GTSEC 07 and enter all fields of data.
An entry is present in Field 05G07 and Schedule H is not attached,	SSPND 211. <ul style="list-style-type: none"> Upon reply, continue processing based on the information received. If no reply: enter a 3 in Field 01CCC; GTSEC 07; and enter the Field 05G07 amount to Field 0708V.
The employer incorrectly transferred Line 8d (8c, 2020, Line 8 TY2019 and prior), to Line 25	Assign TPNC 51.
The employer made an error adding Line 24 to Field 07FTX.	Assign TPNC 51.
The employer transferred the incorrect amount from Line 26 to Line 7 of Schedule G (Form 1041).	Assign TPNC 51.
The employer does not compute or incorrectly computes the Credit Reduction,	Assign TPNC 51.

Exception: Delete Section 07 if the return is a Non-Taxable Grantor Trust **and** there is an indication that the Tax is reported on the Grantor’s individual tax return.

- (2) If EC 881 occurs due to a previous error code and there are no additional errors, ripple the previous TPNC.

3.12.14.25.52.3
(01-01-2016)

**Valid Taxpayer Notice
Codes - Error Code 881**

- (1) Valid TPNCs for Error Code 881 are:

TPNC	Literal
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
51	We found an error on Schedule H, Household Employment Taxes. The error was in: 1. The computation of the total tax and/or 2. The transfer of that amount to page 2 of Form 1041.
55	We found an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes: 1. Social Security 2. Medicare 3. Federal income taxes.
57	The amount of cash wages you reported on Schedule H, Household Employment Taxes, was not enough to be considered taxable for employment tax purposes. Any Social Security and Medicare tax withheld should be returned to your employee. You may also have to file Form W-2C, Corrected Wage and Tax Statement, to correct the Social Security and Medicare wages you reported.
60	We found an error in the computation of the credit reduction amount from Schedule H or it was omitted. We adjusted your household employment taxes accordingly.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.53
(01-01-2016)

**Error Code 884 -
Schedule H Field 07CWC
greater than Field
07TFW**

- (1) Error Code 884 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
07CC1	Schedule H - Credit Reduction State 1
07CW1	Schedule H - Credit Reduction Wages 1
07CC2	Schedule H - Credit Reduction State 2
07CW2	Schedule H - Credit Reduction Wages 2
07CC3	Schedule H - Credit Reduction State 3
07CW3	Schedule H - Credit Reduction Wages 3
07CC4	Schedule H - Credit Reduction State 4
07CW4	Schedule H - Credit Reduction Wages 4
07CC5	Schedule H - Credit Reduction State 5
07CW5	Schedule H - Credit Reduction Wages 5
07CWC>	Schedule H - Total Credit Reduction Wages - Computer
07TFW	Schedule H - Total FUTA Wages

3.12.14.25.53.1
(01-01-2016)

Invalid Condition - Error Code 884

- (1) Error Code 884 will generate when Field 07CWC> is **greater than** Field

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3.12.14.25.53.2
(01-01-2016)

Correction Procedures - Error Code 884

- (1) GTSEC 07 and correct all misplaced entries, coding errors, and transcription errors.
(2) If there are no Credit Reduction States, delete all "Credit Reduction" related entries.

3.12.14.25.53.3
(01-01-2016)

Valid Taxpayer Notices Codes - Error Code 884

- (1) Valid TPNCs for Error Code 884 are:

TPNC	Literal
50	We found an error in the computation of the federal employment tax on Schedule H, Household Employment Taxes.
60	We found an error in the computation of the credit reduction amount from Schedule H or it was omitted. We adjusted your household employment taxes accordingly.

TPNC	Literal
90	Blank notice.

3.12.14.25.54

(01-01-2024)

Error Code 887 - Total**Tax**

(1) Error Code 887 will display the following fields:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
01CCC	Computer Condition Code
01MSC	Reserved
01ADC	Audit Code
05G1A	Schedule G Gross Tax
>>>>>	Schedule G Gross Tax Computer
05G1B	Schedule G Tax on Lump-Sum Distributions
05G1C	Schedule G Alternative Minimum Tax
05G1D	Schedule G Total Tax
>>>>	Schedule G Total Tax - Computer
05G2A	Schedule G Foreign Tax Credit
>>>>	Schedule G Foreign Tax Credit Computer
05G2B	Schedule G General Business Credit
>>>>	Schedule G General Business Credit Computer
05G2C	Schedule G Prior Year Minimum Tax Credit
05G2D	Schedule G Bond credits
05G2N	Schedule G Other Non-Business Credits (ERS Input Only)
05G2E>	Schedule G Total Credits Computer
05G04	Schedule G Small Business Trust Tax
05G05	Schedule G Net Investment Income Tax
05GIC	Recapture tax from Form 4255
05GLH	Recapture tax from Form 8611
05G06	Recapture Taxes
05G07	Schedule G Household Employment Taxes
05G08	Schedule G Other Taxes
07HTX>	Schedule H Household Employment Taxes Computer
05QTX	QFT Tax
05QC	QFT Credits
0524	Total Tax

Field Designator	Field Name
>>>>	Total Tax Computer
05MCT	Manually Corrected Tax (ERs Input Only)
31RED>	Computer amount of reduction of the CVC credit

Note: The literal “Section 07 not present” will display if no entries are present in a specific section.

3.12.14.25.54.1
(01-01-2021)

Invalid Condition - Error Code 887

- (1) Error Code 887 will generate when Total Tax Field 0524 differs from underprint

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Exception: Error Code 887 will **not** display when the difference between Field 0524 and underprint equals the difference between Field 05G1D and Total Tax - Computer, See IRM 3.12.14.25.43, Error Code 863 - Schedule G Total Tax.

(2) **Special Instructions for Section 965 Returns:**

- See IRM 3.12.14.25.54.3, Section 965 Returns - General Information (Tax Period 201712 - 202111) (EC 887).
- See IRM 3.12.14.25.54.3.1, Section 965 Returns - Tax Period 202012 - 202111 (EC 887).
- See IRM 3.12.14.25.54.3.2, Section 965 Returns - Tax Period 201912 - 202011 (EC 887).
- See IRM 3.12.14.25.54.3.3, Section 965 Returns - Tax Period 201812 - 201911 (EC 887).
- See IRM 3.12.14.25.54.3.4, Section 965 Returns - Tax Period 201712 - 201811 (EC 887).
- See IRM 3.12.14.25.54.3.5, Section 965 Returns Suspense Correction - Tax Period 201712 - 202111 (EC 887).

3.12.14.25.54.2
(01-01-2024)

Correction Procedures - Error Code 887

- (1) Correct all misplaced and omitted entries, coding errors, and transcription errors. Check all attachments to ensure that all entries were brought forward correctly.

Note: Look for write-in taxes on Schedule G, if there is a write-in tax, add that to any other tax and enter the total tax amount into 05MCT.

- (2) If Form 1041 is missing page 2 or Sch G is blank, enter the amount from Line 24 of the 1041 to Field 05G1A and Field 05G1D. This will force the return to fall out for EC 857, where it can be resolved.
- (3) If EC 887 appears because a TPNC was sent at EC 857, check fields for transcription. (This could be a ripple error.)
- (4) If EC 866 “rippled” from EC 864 (and there is no other error), send TPNC 74.

3.12.14.25.54.2.1
(01-01-2023)

Field 05G1D - Total Tax

- (1) Field 05G1D should be the same as the taxpayer's entry on line 1d, Schedule G, Form 1041.
 - The underprint for Field 05G1D is the computer amount for line 1d, Schedule G. It is computed by taking the **lesser** of Field 05TRS> (Tax Rate Schedule) or the underprint for Field 1017, and adding Field 05G1B, and Field 05G1C>.
- (2) If the underprint for Field 05G1D does not equal the amount in Field 05G1D, check the following...
 - If the taxpayer has listed other taxes as a write-in on the dotted portion of line 1d, see IRM 3.12.14.25.43.2.5, Field 05GVT (Schedule G - Total Gross Tax Verified).
 - Use CC GTSEC 19 to check for an entry in Field 1914. If there is an amount in Field 1914, see IRM 3.12.14.25.43.2.5, Field 05GVT (Schedule G - Total Gross Tax Verified).
- (3) If the taxpayer made an error adding Lines 1a through 1c, issue TPNC 05.

3.12.14.25.54.2.2
(01-01-2024)

Field 05G2A - Foreign Tax Credit (Form 1116)

- (1) Field 05G2A must be positive and should be the same as the taxpayer's entry on Line 2a of Schedule G.
 - This field cannot exceed the tax amount on Line 1a.
- (2) Field 05G2A will underprint if the transcribed amount exceeds the allowable credit determined by the computer.

Note: E-filed returns will generate the amount from Form 1116 into Schedule G, Line 2a, if the taxpayer left the line blank but attached a Form 1116 that claimed credit.

If...	Then...
Field 05G2A is present with an 1116 or other supporting statement is not attached,	Correspond. Note: See Exhibit 3.12.14-39 for No Reply Procedures.
Field 05G2A underprints and there are no transcription or editing errors,	Assign TPNC 11.
An electronically filed return and the computer has filled in Field 05G2A from Form 1116 and the taxpayer left Schedule G, Line 2a blank,	Assign TPNC 05.

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3.12.14.25.54.2.3
(01-01-2024)

**Field 05G2B - General
Business Credits (Form
3800)**

- (1) Field 05G2B must be positive and should be the same as the taxpayer's entry on Line 2b of Schedule G. If the return contains an entry on Line 2e and it is notated 3800, move the amount to Line 2b.
- (2) If EC 866 "rippled" from EC 864 (and there is no other error), send TPNC 74.

3.12.14.25.54.2.4
(01-01-2016)

**Field 05G2C - Credit for
Prior Year Minimum Tax
(Form 8801)**

- (1) Field 05G2C must be positive and should be the same as the taxpayer's entry on Line 2c of Schedule G.

If...	Then...
present in Field 05G2C but Form 8801 is not attached,	Correspond. Note: See Exhibit 3.12.14-39 for No Reply Procedures.

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3.12.14.25.54.2.5
(01-01-2016)

**Field 05G2D - Bond
Credits (Form 8912)**

- (1) Field 05G2D must be positive and the same as the taxpayer's entry on Line 2d of Schedule G.

- BAB - Build American Bond
- QZAB - Qualified Zone Academy Bond (200301 - 200712) Form 8860
- CREB - Clean Renewable Energy Bond (200601 - present) Form 8912
- GTCB - Gulf Tax Credit Bond (200601 - Jan 2, 2011) Form 8912
- QFCB - Qualified Forestry Conservation Bond (200807 - present) Form 8912
- MTCB - Midwestern Tax Credit Bond (200801 - present) Form 8912
- QSCB (Qualified School Construction Bond)
- NCREB (New Clean Renewable Energy Bond)
- QECB (Qualified Energy Conservation Bond)

•Form 8912 must be attached if any of the above bond credits are taken and

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If...	Then...
present in Field 05G2D but Form 8912 is not attached,	Correspond. Note: See Exhibit 3.12.14-39 for No Reply Procedures.

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3.12.14.25.54.2.6
(01-01-2020)

**Field 05G04 - Schedule
G Small Business Trust
Tax (ESBT)**

- (1) Field 05G04 must be positive only and should be the same as the entry on Line 4, Schedule G
- (2) The amount entered on Line 4, Schedule G, is entered by the taxpayer from Line 17 of ESBT Tax Worksheet. Taxpayers are not required to file the worksheet with the return. Accept the entry and ensure the amount is entered in Field 05G04.

3.12.14.25.54.2.7
(01-01-2020)

Field 05G05 - Net Investment Income Tax (Form 8960)

- (1) Field 05G05 must be positive only and should be the same as the entry on Line 5, Schedule G.

Note: If any amount is on Line 5, Schedule G, there must be a Form 8960 attached. If not, correspond.

- (2) If Line 5, Schedule G is blank and Form 8960 is attached with an entry on Line 21, enter that amount on Line 5.
- (3) This tax does not apply to 201311 and prior year returns; delete Section 28 and Field 05G05. Send TPNC 05.

3.12.14.25.54.2.8
(01-01-2024)

Field 05GIC - Recapture Tax from Form 4255

- (1) Field 05GIC is transcribed from line 6a, Schedule G, Form 1041 (revision 2023 and subsequent).
- (2) This field is positive only.

3.12.14.25.54.2.9
(01-01-2024)

Field 05GLH - Recapture Tax from Form 8611

- (1) Field 05GLH is transcribed from line 6b, Schedule G, Form 1041 (revision 2023 and subsequent).
- (2) This field is positive only.

3.12.14.25.54.2.10
(01-01-2020)

Field 05G06 - Recapture Taxes (Form 4255/ Form 8611)

- (1) Field 05G06 must be positive and should be the same as the taxpayer's entry on Line 6 of Schedule G.
- (2) Field 05G06 is the total of the following:
- Recapture of Investment Credits - Form 4255
 - Recapture of Low-Income Housing Credit - Form 8611
 - Recapture of Qualified Electric Vehicle Credit (QEVCR) - Form 8834
 - Recapture of Indian Employment Credit (IECR) - Form 8845
 - Recapture of New Markets Credit (NMCR) - Form 8874-B
 - Recapture of the Credit for Employer-provided Child Care Facilities (ECCFR) - Form 8882

If...	Then...
Field 05G06 is blank or zero and Form 4255 and/or Form 8611 is attached,	Enter the applicable amount in Field 05G06.
Field 05G06 and no Form 4255 and/or Form 8611 are attached,	Continue processing the return.
05G06 and the taxpayer has checked the Form 4255 box and/or Form 8611 box and the forms are not attached,	Correspond. Note: See Exhibit 3.12.14-39 for No Reply Procedures.

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Exception: If the taxpayer has notated QEVCR, IECR, NMCR or ECCFR next to Line 6 of Schedule G, Form 4255 and/or Form 8611 are not required.

3.12.14.25.54.2.11
(01-01-2020)
**Field 05G07 - Household
Employment Taxes
(Schedule H)**

- (1) Field 05G07 should be the same as the taxpayer's entry on Line 7 of Schedule G and is the total of Household Employment Taxes reported on Schedule H.
- If an entry is present **but** Schedule H is not attached, SSPND 211.

If...	Then...
Reply received	Process based on the new information.
No Reply	<ol style="list-style-type: none"> 1. Enter 3 in Field 01CCC. 2. GTSEC 07 and enter the amount from Field 05G07 to Field 0708V.

- (2) If Fields 0701 and 0703 were deleted to correct Error Code 162, assign TPNC 57.

3.12.14.25.54.2.12
(01-01-2020)
**Field 05G08 - Schedule
G Other Taxes**

- (1) Field 05G08 is transcribed from Line 8 of Schedule G (Form 1041).
- (2) Line 8, Schedule G (Form 1041) is used by the taxpayer to enter other taxes claimed, for which there is no specific line.
- (3) This entry is only valid for tax period 201912 and later. If the tax period is earlier than 201912, delete the entry in Field 05G08.

3.12.14.25.54.2.13
(01-01-2023)
Field 0524 - Total Tax

- (1) Field 0524 is transcribed from Line 24 (Form 1041, Page 1).
- Note:** The amounts reported on Line 24 (Form 1041, Page 1) and Line 9 (Schedule G) should be the same. If there is no amount on Line 24, check Line 9 of Schedule G and bring that amount forward.
- (2) **Other Taxes** - If the taxpayer indicates they are liable for other taxes on Schedule G (by listing the type of tax and the amount on the dotted portion next to Line 9), see IRM 3.12.14.25.54.2.14, Field 05MCT - Manually Corrected Tax.
- (3) **Field 05G2E> (Total Credits Computer)** - Field 05G2E> is the computer amount for line 2e, Schedule G.
1. Compare Field 05G2E> to the taxpayer's amount on line 2e, Schedule G.
 2. If they are different, use CC GTSEC 19 to check for an amount in Field 1914.
 3. If an amount is present in Field 1914, see IRM 3.12.14.25.54.2.14, Field 05MCT - Manually Corrected Tax.
- (4) If none of the above conditions apply (and not a ripple error), send TPNC 05.

3.12.14.25.54.2.14
(01-01-2023)

Field 05MCT - Manually Corrected Tax

- (1) Field 05MCT is an **ERS Input Only** field used whenever the computer cannot calculate the correct amount for Total Tax, Line 9 of Schedule G, because the taxpayer used a special computation. See IRM 3.12.14.26, Manual Computation Instructions.
- (2) **Other Taxes** - If the taxpayer indicates they are liable for other taxes on Schedule G (by listing the type of tax and the amount on the dotted portion next to Line 9), determine Field 05MCT as follows:

If...	Then...
The difference between Field 0524 and its under-print equals the write-in amount	Enter the taxpayer's amount for Total Tax in Field 05MCT.
The difference between Field 0524 and its under-print doesnot equal the write-in amount	Calculate Line 9 of Schedule G and enter that amount in Field 05MCT. Note: If there is a math error, assign the appropriate TPNC to explain the adjustment.

Note: Examples of Other Taxes are Sections 453A(c), 641(c) and 1260(b), Forms 8978, 4970, 5329, 8697 and 8866 and ESBT.

(3) Field 05G2E> & Field 1914

If	And	Then
The amount in Field 05G2E> does not match the taxpayer's amount on line 2e, Schedule G,	Field 1914 is present and the amount is negative, Note: The amount in Field 1914 is transcribed from line 14 of Form 8978, Partner's Additional Reporting Year Tax.	If the amount in Field 1914 is equal to (or greater than) the difference between Field 0524 and its under-print, enter the Field 0524 amount into Field 05MCT. Note: For purposes of this comparison, do not consider negatives or positives. Only compare values, regardless of sign.

3.12.14.25.54.2.15
(01-01-2024)

Field 31RED> - Reduced amount of nonrefundable CVC credit

- (1) Field 31RED> is the computer amount for the reduction to the Clean Vehicle Credit claimed on the return.
- (2) If EC 866 “rippled” from EC 864 (and there is no other error), send TPNC 74.

3.12.14.25.54.3
(01-01-2021)

Section 965 Returns - General Information (Tax Period 201712 - 202111) (EC 887)

- (1) Taxpayers reporting a Section 965 net tax liability on their 2017 - 2020 tax returns can make certain elections, including:

Section	Description	Form 965-A Line has data present in...
965(h)	Election to pay Section 965(h) net tax liability in installments	<ul style="list-style-type: none"> Part I, Line 4 TY2020, column (f), and column (g), Yes box marked or column (i). Part I, Line 3 TY2019, column (f), and column (g), Yes box marked or column (i). Part I, Line 2 TY2018, column (f), and column (g) Yes box marked or column (i). Part I, Line 1 TY2017, column (f), and column (g), Yes box marked or column (i).
965(i)	Election to defer until triggering event	<ul style="list-style-type: none"> Part III, Line 4 TY2020, column (e), and Column (f), Yes box marked or column (g). Part III, Line 3 TY2019, column (e), and Column (f), Yes box marked or column (g). Part III, Line 2 TY2018, column (e), and Column (f), Yes box marked or column (g). Part III, Line 1 TY2017, column (e), and Column (f), Yes box marked or column (g).

- (2) A TY 2020 Section 965 return can be identified by any of the following:
 - Amount present on Line 25 (Form 1041) or Line 19 (Form 1041-N).
 - Amount present on Form 965-A, Part II, Line 4, column (k).
 - Amount present on Form 1041, Sch. G, Part II, Line 15.
 - Amount present on Form 965-A, Part I, Line 4, column (f).

- “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (3) A TY 2019 Section 965 return can be identified by any of the following:
- Amount present on Line 25 (Form 1041) or Line 19 (Form 1041-N).
 - Amount present on Form 965-A, Part II, Line 3, column (k).
 - Amount present on Form 1041, Sch. G, Part II, Line 15.
 - Amount present on Form 965-A, Part I, Line 3, column (f).
 - “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (4) A TY 2018 Section 965 return can be identified by any of the following:
- Amount present on Line 24 (Form 1041) or Line 19 (Form 1041-N).
 - Amount present on Form 965-A, Part II, column (k), Line 2.
 - Amount present on Line 25f (Form 1041).
 - Amount present on Form 965-A, Part I, Line 2, column (f).
 - “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (5) A TY 2017 Section 965 return can be identified by any of the following:
- Amount included on line 8 (Form 1041).
 - Section 965 Amount to be paid in installments include on Line 24a (Form 1041).
 - Section 965 net tax liability amount included in the total on Form 1041, Schedule G, Line 7.
 - Section 965 Transition Tax Statement attached, and an amount present on Lines 1, 3, 6 or 7.
 - Amount present on Form 965-A, Part II, Line 1, column (k).
 - Amount present on Form 965-A, Part I, Line 1, column (f).
 - Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (6) IF the Tax Period is 201712 and later:
- Enter CCC “J” if the return is identified as Section 965 return as indicated in paragraphs (2), (3), (4) or (5) above.
 - Enter CCC “B” if the return has a Section 965(i) election as listed in paragraph (1) above.
- (7) Modernized e-File (MeF) created naming conventions to identify “965” on the return. Some returns may **not** be true Section 965 returns. The numbers 965 may appear in the address, banking account number, EIN or anywhere on the return. If determined that the return is not Section 965, delete CCC “J”, correspond for missing information and continue processing.
- (8) For TY2017 the placement of Net 965 Tax Liability Paid and Net 965 Tax Liability on the form was designed to cause the return to generate an error code. The error code and/or Action Code 460 ensures the return will be examined by an ERS/Rejects tax examiner.

Note: For TY 2017, determine the Net 965 Tax Liability paid amount (Field 0525) and the Net 965 Tax Liability Amount (Field05G15) amount. See IRM

3.12.14.25.54.3.4, Section 965 Returns - Tax Period 201712 - 201811 (EC 887).

- (9) If Form 965-A is attached GTSEC 20 and ensure all field have been transcribed into the correct fields. See IRM 3.12.14.18, Section 20 - Form 965-A, Individual Report of Net 965 Tax Liability.

3.12.14.25.54.3.1
(01-05-2022)

**Section 965 Returns -
Tax Period 202012
-202111 (EC 887)**

- (1) **Field 0525** (Line 25 (Line 19, Form 1041-N)) correction procedures:

If...	And...	Then...
Amount is present on Line 25,		Ensure the amount is entered in Field 0525.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : a. Section 965 tax is less than correspond unless corresponding for other missing information. b. Section 965 tax more, SSPND with Action Code 211 and correspond for Form 965-A.

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If...	And...	Then...
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	<p>1. If the amount is present on Line 4, column (k), Part II Form 965-A:</p> <ul style="list-style-type: none"> If the amount is equal to Line 25 (Line 19 Form 1041-N) amount, continue processing the return. If the amount is not equal to Line 25 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 4, column (k), Part II, Form 965-A, into Field 0525.

(2) **Field 05G15** (Line 15, Schedule G (Form 1041)) correction procedures:

If...	And...	Then...
Amount is present on Line 15,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 15,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.

If...	And...	Then...
Amount is present on Line 15,	Form 965-A is attached,	1. If the amount is present on Line 3, column (f), Part I, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 15 amount, take no action and continue processing the return. If the amount is not equal to Line 15 amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 15,	Form 965-A is attached,	Enter the amount from Line 3, column (f), Part I, Form 965-A, into Field 05G15:

- (3) Error Code 902 will generate if an additional tax and/or credit (deferred tax) was added. See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund.

3.12.14.25.54.3.2
(01-05-2021)

**Section 965 Returns -
Tax Period 201912 -
202011 (EC 887)**

- (1) **Field 0525** (Line 25 (Line 19, Form 1041-N)) correction procedures:

If...	And...	Then...
Amount is present on Line 25,		Ensure the amount is entered in Field 0525.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ol style="list-style-type: none"> Section 965 tax is less than correspond unless corresponding for other missing information. Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.

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If...	And...	Then...
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 3, column (k), Part II Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 25 (Line 19 Form 1041-N) amount, continue processing the return. If the amount is not equal to Line 25 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 3, column (k), Part II, Form 965-A, into Field 0525.

(2) **Field 05G15** (Line 15, Schedule G (Form 1041)) correction procedures:

If...	And...	Then...
Amount is present on Line 15,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 15,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.

If...	And...	Then...
Amount is present on Line 15,	Form 965-A is attached,	1. If the amount is present on Line 3, column (f), Part I Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 15 amount, take no action and continue processing the return. If the amount is not equal to Line 15 amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 15,	Form 965-A is attached,	Enter the amount from Line 3, column (f), Part I, Form 965-A, into Field 05G15:

- (3) Error Code 902 will generate if an additional tax and/or credit (deferred tax) was added. See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund.

3.12.14.25.54.3.3
(01-05-2021)

**Section 965 Returns -
Tax Period 201812 -
201911 (EC 887)**

- (1) **Field 0525** (Line 24 (Line 19, Form 1041-N) correction procedures:

If...	And...	Then...
Amount is present on Line 24 (Line 19 Form 1041-N),		Ensure the amount is entered in Field 0525.
Amount is present on Line 24 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ol style="list-style-type: none"> Section 965 tax is less than correspond unless corresponding for other missing information. Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.

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If...	And...	Then...
Amount is present on Line 24 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 2, column (k), Part II, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 24 (Line 19 Form 1041-N) amount, continue processing the return. If the amount is not equal to Line 24 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 24 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 2, column (k), Part II, Form 965-A, into Field 0525.

(2) **Field 05G15** (Line 25f, Form 1041) correction procedures:

If...	And...	Then...
Amount is present on Line 25f,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 25f,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.

If...	And...	Then...
Amount is present on Line 25f,	Form 965-A is attached,	1. If the amount is present on Line 2, column (f), Part I, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 25f amount, take no action and continue processing the return. If the amount is not equal to Line 25f amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25f,	Form 965-A is attached,	Enter the amount from Line 2, column (f), Part I, Form 965-A, into Field 05G15:

- (3) Error Code 902 will generate if an additional tax and/or credit (deferred tax) was added. See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund.

3.12.14.25.54.3.4
(01-01-2021)

**Section 965 Returns -
Tax Period 201712 -
201811 (EC 887)**

- (1) If Form 965-A is attached do the following:

If...	Then...
Amount is present on Line 1, Column (k), Part II, Form 965-A,	Enter the Line 1, Column (k) amount into Field 0525.
Amount is present on Line 1, Column (f), Part I, Form 965-A,	Enter the Line 1, Column (f) amount into Field 05G15.

- (2) Error Code 902 will generate if an additional tax and/or credit (deferred tax) was added. See IRM 3.12.14.25.60, Error Code 902 - Balance Due/Refund.

3.12.14.25.54.3.5
(01-01-2021)

**Section 965 Returns
Suspense Correction -
Tax Period 201712 -
202111 (EC 887)**

- (1) Fields 0525 and 05G15 are valid for Tax Period 201712 and later returns:
- See IRM 3.12.14.25.54.3, Section 965 Returns - General Information (Tax Period 201712 - 202111) (EC 887).
 - See IRM 3.12.14.25.54.3.1, Section 965 Returns - Tax Period 202012 - 202111 (EC 887).
 - See IRM 3.12.14.25.54.3.2, Section 965 Returns - Tax Period 201912 - 202011 (EC 887).

- See IRM 3.12.14.25.54.3.3, Section 965 Returns - Tax Period 201812 - 201911 (EC 887).
- See IRM 3.12.14.25.54.3.4, Section 965 Returns - Tax Period 201712 - 201811 (EC 887).

- (2) **Paper filed Section 965 Returns:** If the taxpayer has elected under Section 965(h) to pay its Section 965(h) net tax liability in installments, scan the pages of the return with the Section 965 tax data and the IRC Section 965 Transition Tax Statement (for TY2017 returns) and e-mail the scan to the Chief Financial Officer (CFO) at **CFO Tax Reform 965*.

Note: Do not make copies when the taxpayer is paying in full its entire Section 965 net tax liability or when the taxpayer makes a Section 965(i) election, in which case the Section 965(i) net tax liability will not be assessed until a triggering event occurs.

3.12.14.25.54.4
(01-01-2024)

Valid Taxpayer Notice Codes - Error Code 887

- (1) Valid TPNCs for Error Code 887 are:

TPNC	Literal
05	We found an error in the computation of your total income tax.
08	The credit claimed was more than the law allows.
11	Your Foreign Tax Credit was more than the law allows.
24	We changed your Form 1041, U.S. Income Tax for Estates and Trusts because: <ul style="list-style-type: none"> • You computed your Alternative Tax incorrectly, or • We computed your tax using the Alternative Tax because it reduced your tax
31	We found an error in the computation of the General Business Credit on Form 3800.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
41	We computed your tax for you.
57	The amount of cash wages you reported on Schedule H, Household Employment Taxes, was not enough to be considered taxable for employment tax purposes. Any Social Security and Medicare tax withheld should be returned to your employee. You may also have to file Form W-2C, Corrected Wage and Tax Statement, to correct the Social Security and Medicare wages you reported.

TPNC	Literal
74	We didn't allow all or part of the credit claimed as clean vehicle credit on your return because one or more of the Vehicle Identification Numbers (VIN) reported on Schedule A (Form 8936), Clean Vehicle Credit Amount, didn't match our records.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.55
(01-01-2024)

(1) Fields Displayed

**Error Code 890 -
Elective Payment
Election**

Field Designator	Field Description	Form Line
01TXP	Tax Period	Edited top right margin of Form 1041
231BI	F7207 (Net elective payment)	1b, column (i), Form 3800, Part III
231DI	F3468, Part III, Line 1 (Net elective payment)	1d, column (i), Form 3800, Part III
231GI	F7210 (Net elective payment)	1g, column (i), Form 3800, Part III
241OI	F3468, Part IV (Net elective payment)	1o, column (i), Form 3800, Part III
241SI	F8911, Part II (Net elective payment)	1s, column (i), Form 3800, Part III
241UI	F7213 Part II (Net elective payment)	1u, column (i), Form 3800, Part III
241XI	F8933 (Net elective payment)	1x, column (i), Form 3800, Part III
25AAI	F8936 Part V (Net elective payment)	1aa, column (i), Form 3800, Part III
254AI	F3468, Part VI (Net elective payment)	4a, column (i), Form 3800, Part III
254EI	F8835, Part II (Net elective payment)	4e, column (i), Form 3800, Part III
05EPE	Elective payment election amount	18a, Schedule G
>>>>>	Computer sum of amounts in column (i), F3800	18a, Schedule G (c/g)

Field Designator	Field Description	Form Line
05EPV	Verified amount for 05EPE.	18a, Schedule G (ERS-only verified amount)

3.12.14.25.55.1
(01-01-2024)

- (1) Error Code 890 will generate when the difference between the taxpayer's

Invalid Condition - Error Code 890:

#

3.12.14.25.55.2
(01-01-2024)

- (1) Correct coding errors, transcription errors, and misplaced entries.

Correction Procedures - Error Code 890:

If	And	Then
Form 3800 is not attached,	Code & Edit has not already corresponded for the missing Form 3800,	Correspond for Form 3800.
Form 3800 is present and all transcription is correct,	The taxpayer made an error when adding the amounts in Column (i), Form 3800, Part III, or in transferring the total to line 18, Schedule G, Form 1041,	Send TPNC 73.

(2) **Suspense Correction:**

- If there is no reply to the request for a missing Form 3800, enter CCC "3" and send TPNC 73.

Note: If there is no reply to the request for a missing Form 3800, also remove any amount (if present) in Field 02G2B (see Exhibit 3.12.14-39, No Reply Procedures, for additional information).

- (3) Valid TPNCs for Error Code 890 are 73 and 90.

3.12.14.25.56
(01-01-2020)

- (1) Error Code 893 will display as follows:

Error Code 893 - Estimated Tax/Beneficiaries

Field Designator	Field Name
01TXP	Tax Period
01CCC	Computer Condition Code
05G10	Estimated Tax Payments
05G11	Credit to Beneficiaries
05G12>	Balance of ES Tax Credit Computer
05G13	Tax Paid with Extension
05G14	Tax Withheld
05G15	Net 965 Tax Liability Form 965-A
0516A	Regulated Investment Company Credit

3.12.14.25.56.1
(01-01-2020)

**Invalid Condition - Error
Code 893**

- (1) Error Code 893 will generate when Field 05G11 **is greater** than Field 05G10.

3.12.14.25.56.2
(01-01-2020)

**Correction Procedures -
Error Code 893**

- (1) Correct all misplaced entries, coding errors, and transcription errors.
1. GTSEC 05 to determine the entries present in Fields 05G13 and 05G14.

If...	Then...
There is an entry in Field 05G11, but Fields 05G13 and 05G14 are blank,	Delete Field 05G11 and move that amount to Field 05G10.
There is an entry in Field 05G11, and an entry is present in either Field 05G13 or 05G14,	Delete Fields 05G13 and 05G14 and enter the combined amount in Field 05G10.
Field 05G11 includes payments made with Field 05G10, and either Field 05G13 or 05G14,	<ol style="list-style-type: none"> 1. Enter "X" in Field 01CCC. 2. Prepare Form 3465 for submission to Adjustments. 3. Notate the following on Form 3465: "Check form 1041-T tax payments allocated to the beneficiary. It appears the taxpayer included tax paid with extension of time to file or withholding. Please release the "X" freeze." 4. Add the amount of the extension payment and/or Federal Income Tax Withheld to Estimated Tax Payments and enter in Field 05G10. 5. Forward the return to Adjustments (follow local procedures).
No errors are found, and the circumstances described above do not exist,	Reduce Field 05G11 to agree with Field 05G10.

3.12.14.25.57

(01-01-2016)

**Error Code 894 - Invalid
Credit Reference
Number (Form 4136)**

(1) Error Code 894 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
15TG>	Total Credit (Form 4136) - Computer
15A01	Amount of Claim Number 1
15C01	Credit Reference Number 1
15A02	Amount of Claim Number 2
15C02	Credit Reference Number 2
15A03	Amount of Claim Number 3

Field Designator	Field Name
15C03	Credit Reference Number 3
15A04	Amount of Claim Number 4
15C04	Credit Reference Number 4
15A05	Amount of Claim Number 5
15C05	Credit Reference Number 5
15A06	Amount of Claim Number 6
15C06	Credit Reference Number 6
15A07	Amount of Claim Number 7
15C07	Credit Reference Number 7
15A08	Amount of Claim Number 8
15C08	Credit Reference Number 8
15A09	Amount of Claim Number 9
15C09	Credit Reference Number 9
15A10	Amount of Claim Number 10
15C10	Credit Reference Number 10
15A11	Amount of Claim Number 11
15C11	Credit Reference Number 11
15A12	Amount of Claim Number 12
15C12	Credit Reference Number 12
16A01	Amount of Claim Number 13
16C01	Credit Reference Number 13
16A02	Amount of Claim Number 14
16C02	Credit Reference Number 14
16A03	Amount of Claim Number 15
16C03	Credit Reference Number 15
16A04	Amount of Claim Number 16
16C04	Credit Reference Number 16
16A05	Amount of Claim Number 17
16C05	Credit Reference Number 17
16A06	Amount of Claim Number 18
16C06	Credit Reference Number 18
16A07	Amount of Claim Number 19

Field Designator	Field Name
16C07	Credit Reference Number 19
16A08	Amount of Claim Number 20
16C08	Credit Reference Number 20
16A09	Amount of Claim Number 21
16C09	Credit Reference Number 21
16A10	Amount of Claim Number 22
16C10	Credit Reference Number 22
16A11	Amount of Claim Number 23
16C11	Credit Reference Number 23
16A12	Amount of Claim Number 24
16C12	Credit Reference Number 24

Note: The literal "SectionXX data present" will display if there are entries in a specific section.

3.12.14.25.57.1
(01-01-2024)

**Invalid Condition - Error
Code 894**

(1) Error Code 894 will generate when any of the following conditions is present:

- A claim amount is present and the corresponding Credit Reference Number (CRN) is not present.
- A CRN is present, and the corresponding claim amount is not present.
- A CRN and amount are claimed for an ineligible tax period as shown below:

If...	And...
CRN 306 is present,	tax period is earlier than 200601.
CRN 307 is present,	tax period is earlier than 200601.
CRN 309 is present,	tax period is earlier than 200601.
CRN 310 is present,	tax period is earlier than 200601.
CRN 318 is present,	tax period is after 199707.
CRN 324 is present,	tax period is earlier than 199701.
CRN 346 is present,	tax period is earlier than 199801.
CRN 347 is present,	tax period is earlier than 199801.
CRN 350 is present,	tax period is earlier than 199801.
CRN 352 is present,	tax period is earlier than 199401 or after 200708.

If...	And...
CRN 356 is present,	tax period is earlier than 199301 or after 200511.
CRN 357 is present,	tax period is earlier than 199301 or after 200511.
CRN 359 is present,	tax period is earlier than 199301 or after 200511.
CRN 361 is present,	tax period is earlier than 199401 or after 200708.
CRN 362 is present,	tax period is earlier than 199401.
CRN 363 is present,	tax period is earlier than 199301 or after 200511.
CRN 369 is present,	tax period is earlier than 199401.
CRN 375 is present,	tax period is earlier than 199301 or after 200511.
CRN 376 is present,	tax period is earlier than 199301 or after 200511.
CRN 377 is present,	tax period is earlier than 199301, after 200511, and earlier than 200712.
CRN 388 is present,	tax period is earlier than 200501.
CRN 390 is present,	tax period is earlier than 200501.
CRN 393 is present,	tax period is earlier than 200501 or after 201211.
CRN 394 is present,	tax period is earlier than 200501 or after 201211.
CRN 395 is present,	tax period is earlier than 200501 or after 200708.
CRN 411 is present,	tax period is earlier than 200601.
CRN 412 is present,	tax period is earlier than 200601.
CRN 413 is present,	tax period is earlier than 200601.
CRN 414 is present,	tax period is earlier than 200601.
CRN 415 is present,	tax period is earlier than 200601.
CRN 416 is present,	tax period is earlier than 200601.
CRN 417 is present,	tax period is earlier than 200601.
CRN 418 is present,	tax period is earlier than 200601.
CRN 419 is present,	tax period is earlier than 200610.
CRN 420 is present,	tax period is earlier than 200610.
CRN 421 is present,	tax period is earlier than 200610.

If...	And...
CRN 422 is present,	tax period is earlier than 200610.
CRN 423 is present,	tax period is earlier than 200610.
CRN 424 is present,	tax period is earlier than 200610.
CRN 425 is present,	tax period is earlier than 200610.
CRN 426 is present,	tax period is earlier than 200610.
CRN 427 is present,	tax period is earlier than 200610.
CRN 428 is present,	tax period is earlier than 200610.
CRN 429 is present,	tax period is earlier than 200610 or after 202311.
CRN 430 is present,	tax period is earlier than 200610.
CRN 431 is present,	tax period is earlier than 200610.
CRN 432 is present,	tax period is earlier than 200610.
CRN 433 is present,	tax period is earlier than 200510.
CRN 434 is present,	tax period is earlier than 200510 or after 200712.
CRN 435 is present,	tax period is earlier than 200810.
CRN 436 is present,	tax period is earlier than 200810.
CRN 437 is present,	tax period is earlier than 200810.

Note: All Transcription lines are in Column (d), "Amount of Credit" and Column (e), "CRN".

3.12.14.25.57.2
(01-01-2016)

Correction Procedures - Error Code 894

- (1) Correct all misplaced entries, coding errors and transcription errors.
- (2) Verify the CRN and credit amount is claimed for a valid tax period. If the CRN is invalid, delete the entries from the CRN and credit amount fields. For TPNC 90 literals, see Exhibit 3.12.14-30, Error Code 894 - CRN Literals.
- (3) Verify the CRN and credit amount is claimed for a valid tax period,

3.12.14.25.57.3
(01-01-2016)

Valid Taxpayer Notice Codes - Error Code 894

- (1) Valid TPNC for Error Code 894 is 90.

3.12.14.25.58
(01-01-2024)

Error Code 896 - Total Payments

- (1) Error Code 896 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
01TXP	Tax Period
0525	Net 965 Tax Liability Paid Form 965-A
05G10	Estimated Tax Payments
05G11	Credit to Beneficiaries
05G12>	Balance of ES Tax Credit Computer
05G13	Tax Paid with Extension
05G14	Tax Withheld
05G15	Net 965 Tax Liability Form 965-A
0516A	Regulated Investment Credit
05EPE	Elective payment election amount
>>>>>	Computer sum of amounts in column (i), F3800
05OCP	Other credits or payments
05G17	Refundable Credit for Qualified Sick Family Leave wages for leave taken before April 1, 2021. (2020 and subsequent)
0518A	Credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (2021 and subsequent, line 18, Sch G)
0518B	Deferral. If filing Schedule H (Form 1040), see instructions for amount to enter. (2020 only, line 18, Sch G)
0526	Total Payments
>>>>	Total Payments Computer
05TCV	ERS input only - verified field for 0526.
0527	Estimated Tax Penalty
05B/D	Tax Due/Overpayment
>>>>	Tax Due/Overpayment Computer
07DEF>	Schedule H Maximum Social Security Tax Deferred Computer
0708E	Schedule H Refundable Credit Qualified Sick & Family Leave wages for leave taken before April 1, 2021

Field Designator	Field Name
0708F	Refundable portion of credit for qualified sick and family leave wages for leave taken for leave taken after March 31, 2021
15TG>	Total Gas Tax Credit Computer
S15DP	SECTION 15 PRESENT
S16DP	SECTION 16 PRESENT
S17DP	SECTION 17 PRESENT
S18DP	SECTION 18 PRESENT
S23DP	SECTION 23 PRESENT
S24DP	SECTION 24 PRESENT
S25DP	SECTION 25 PRESENT

3.12.14.25.58.1
(01-01-2016)

Invalid Condition - Error Code 896

- (1) Error Code 896 will generate when the Total Payments claimed by the Overpayment is in error.

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3.12.14.25.58.2
(01-01-2024)

Correction Procedures - Error Code 896

- (1) Correct all misplaced and omitted entries, coding errors and transcription errors. Check attachments to ensure that entries were brought forward correctly.

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Note: The taxpayers may also annotate 643(g) here when they are the beneficiary of another trust. This will show as a credit on the module. This amount should be added to the total amount on Line 10, Schedule G (Form 1041) if the amount in Field 0526 equals the credit balance on IDRS.

- (3) **Field 05G11** is transcribed from Line 11, Schedule G (Form 1041) and is the amount of Estimated Tax Payments to be allocated among the beneficiaries, under IRC 643(g). This will show as a TC 820 debit on the module. The total of the TC 820s should equal the amount on line 11, Schedule G (Form 1041), if not send TPNC 38.

Note: This cannot exceed the amount in Field 05G10.

- (4) If Line 11, Schedule G (Form 1041) is blank and either Line 12, Schedule G (Form 1041) or Line 26 show a reduction in the number of payments, check IDRS to see if TC 820 debits equal the difference. If so, enter that amount in Field 05G11.

- (5) **Field 05G12>** is a computer-generated field and is Field 05G10 less Field 05G11.
- If EC 896 displays because Field 05G11 was reduced, assign TPNC 90 with the following literal:
“The amount you credited to beneficiaries exceeded your estimated tax payment amount. Therefore, we reduced that amount to agree with the actual estimated tax payment amount.”
- (6) **Field 05G13** is transcribed from line 13, Schedule G (Form 1041) and is based on amounts paid with Extension Form 7004. Accept the taxpayer’s entry.

the claim must be supported by Form(s) 1042-S (or signed Competent Authority letter), 8288, 8805, W-2, W-2G, and/or 1099. This includes any backup withholding claimed.

If...	Then...
Line 14, Schedule G (Form 1041) and it is not supported by documentation,	Continue processing.
Line 14, Schedule G (Form 1041) and it is not supported by documentation,	SSPND 211 and correspond. <ul style="list-style-type: none"> Upon reply, continue processing based on the new information. If no reply, delete the amount, enter 3 in Field 01CCC and assign TPNC 43.

- (8) **Field 05G15** is transcribed from line 15, Schedule G (Form 1041):
- See IRM 3.12.14.6.12, Section 965 Returns - General Information (Tax Period 201712 - 202111)
 - See IRM 3.12.14.6.12.1, Section 965 Returns - Tax Period 202012 - 202111.
 - See IRM 3.12.14.6.12.2, Section 965 Returns - Tax Period 201912 - 202011.
 - See IRM 3.12.14.6.12.3, Section 965 Returns - Tax Period 201812 - 201911.
 - See IRM 3.12.14.6.12.4, Section 965 Returns - Tax Period 201712 - 201811.
 - See IRM 3.12.14.6.12.5, Section 965 Returns Suspense Correction - Tax Period 201712 - 202111

- (9) **Field 0516A** is transcribed from Line 16, Schedule G, Form 1041 (Line 16a, Form 2439.

- Revision 2022 and prior: Line 16c, Schedule G (Form 1041) is the total of Line 16a (Form 2439, Box 2 = Field 0516A) and line 16b, Schedule G (Form 1041) (Form 4136, Line 17 = all fields in Sections 15, 16, 17 and 18).

If...	Then...	
Line 16a, Schedule G (Form 1041) and Form 2439 is not attached,	Ensure the amount is in Field 0516A and continue processing.	#
Line 16a, Schedule G (Form 1041) and Form 2439 is not attached,	SSPND 211 and correspond. <ul style="list-style-type: none"> • Upon reply, continue processing based on the new information. • If no reply, delete the amount, enter 3 in Field 01CCC and assign TPNC 40. 	#

- (10) **Field 05EPE** is transcribed from line 18a of Schedule G (revision 2023 and subsequent). If EC 896 “rippled” from EC 890 (the difference between 05EPE and it’s underprint is equal to the difference between 0526 and its underprint), send TPNC 73 again.
- (11) **Field 05OCP** is transcribed from line 18b of Schedule G (revision 2023 and subsequent).
- (12) **Field 05G17, Credit for qualified sick and family leave wages for leave taken before April 1, 2021**, is transcribed from line 17 of Schedule G (revision 2020 through 2022). See IRM 3.12.14.25.47, Error Code 870 - Check Refundable Credit Qualified Sick & Family Leave Schedule H Amount (L17, Sch. G).
- (13) **Field 0518A, Credit for qualified sick and family leave wages for leave taken after March 31, 2021 and before October 1, 2021**, is transcribed from line 18 of Schedule G (revisions 2021 and 2022) See IRM 3.12.14.25.47, Error Code 870 - Check Refundable Credit Qualified Sick & Family Leave Schedule H Amount (L18, Sch. G).
- (14) **Field 0518B**, “Deferral. If filing Schedule H (Form 1040), see instructions for amount to enter.” is transcribed from line 18 of Schedule G (revision 2020 only) See IRM 3.12.14.25.48, Error Code 871 - Check Deferred Social Security Tax Schedule H Amount (L18, Sch. G).
- (15) **Field 0526** is transcribed from Line 26.

If...	Then...
Field 0526 has an entry, and any Fields 0510 through 0518b and/or any fields in Sections 15 through 18 are blank or zero,	Research the return and attachments for the amount to be entered and enter those amounts into Fields 0525A through 0516A and/or the fields in Sections 15 through 18.

If...	Then...
(Revision 2022 and prior) An present on Line 16c, no entry is present on Lines 16a and 16b, and Form 4136 is not attached,	Enter that amount in Field 0516A, whether Form 2439 is attached or not.
(Revision 2022 and prior) An on Lines 16a and/or 16b, and Form 2439 and/or Form 4136 are not attached,	SSPND 211 and correspond. <ul style="list-style-type: none"> • Upon reply, continue processing based on the new information. • If no reply, delete the amounts in Field 0516A and, enter 3 in Field 01CCC and assign TPNC 40.
If EC 896 rippled from EC 890 (the difference between 05EPE and its underprint is equal to the difference between 0526 and its underprint),	send TPNC 73 again.
Taxpayer has added Lines 10 through 18b of Schedule G (Form 1041) incorrectly,	Assign TPNC 38.

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- (16) **Field 07DEF** represents the computer amount for line 8d of Schedule H (Tax Year 2020 only), “maximum amount of the employer share of social security tax that can be deferred”. See IRM 3.12.14.25.48, Error Code 871 - Check Deferred Social Security Tax Schedule H Amount (L18, Sch. G).
- (17) **Field 0708E** represents line 8e of Schedule H, “Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021. See IRM 3.12.14.11.37, Error Code 870 - Check Refundable Credit Qualified Sick & Family Leave Schedule H Amount (L17, Sch. G).
- (18) **Field 0708F** represents line 8f of Schedule H, “Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021. See IRM 3.12.14.11.37, Error Code 870 - Check Refundable Credit Qualified Sick & Family Leave Schedule H Amount (L17, Sch. G).
- (19) **Sections 15, 16, 17 and 18 - Fields 15A01 through 18C07** are transcribed from Form 4136, Credit for Federal Tax Paid on Fuels and should total the amount claimed on Line 17, Schedule G (Form 1041).

Caution: Form 4136 must be attached if any amount is on Line 17.

If...	Then...
An entry is present on Line 17, Schedule G (Form 1041), but Form 4136 is not attached,	SSPND 211 and correspond. <ul style="list-style-type: none"> • Upon reply, continue processing based on the new information. • If no reply, enter 3 in Field 01CCC and assign TPNC 40.
If an entry is present on Line 17, Schedule G (Form 1041), and Form 4136 is attached with entries, but Sections 15, 16, 17, and 18 are blank,	Input the entries from the Form 4136 into the ERS display screen.
Form 4136 is attached and Sections 15, 16, 17 and 18 are present and the taxpayer did not claim the credit on Line 17, Schedule G (Form 1041),	DLSEC Sections 15, 16, 17 and 18.

- If an invalid CRN EC 894 ripples and causes an EC 896, ripple the TPNC.

3.12.14.25.58.3
(01-01-2021)

**Valid Taxpayer Notice
Codes - Error Code 896**

(1) Valid TPNCs for Error Code 896 are:

TPNC	Literal
10	We found an error in the computation of the tax due or overpayment amount.
38	We found an error on page 1 of your return when your payment amounts were added.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
43	We can't allow the amount you reported as federal income tax withheld because your return didn't have the necessary Form(s) W-2 attached as verification.
71	We changed the deferred payment of refundable credit for qualified sick and family leave wages. The change was due to transferring the amount from Schedule H, Household Employment Taxes.
72	We changed the deferred payment of employer's share of Social Security tax. The change was due to claiming more than the statutory limit allows or the amounts used to determine your deferred payment on Schedule H, Household Employment Taxes were in error.

TPNC	Literal
90	Blank Notice - 10 blank lines are available on the notice for whatever statement is needed.

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.59
(01-01-2020)

**Error Code 898 - Prior
Year Returns (before
200612)**

- (1) Error Code 898 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
01CCC	Computer Condition Code
0524	Total Tax
>>>>	Total Tax Computer
05MCT	Manually Corrected Tax

3.12.14.25.59.1
(01-01-2016)

**Invalid Condition - Error
Code 898**

- (1) Error Code 898 will generate when the tax period is before 200612 and the

#

Note: There is no math verification by the computer on this error code, returns are falling out for manual verification.

3.12.14.25.59.2
(01-01-2020)

**Correction Procedures -
Error Code 898**

- (1) Correct all misplaced entries, coding errors, and transcription errors. Also, check all attachments and Form 1041 entries to ensure that all amounts were brought forward correctly.
- (2) Verify tax period is correct and the return has been cleared by Statutes. If the tax period is corrected to a tax period after 200612,
- GTSEC 01
 - Remove CCC Y
- (3) Verify total tax has been brought forward from Schedule G, Line 7 correctly and enter the taxpayer's amount into Field 05MCT.
- If the taxpayer brings the amount forward incorrectly from Schedule G, Line 7, enter the total tax from Schedule G into 05MCT. This will cause EC 887, to resolve send TPNC 05.
 - If Schedule G is blank or missing, enter 0524 amount into 05MCT.

3.12.14.25.60
(01-01-2024)

**Error Code 902 -
Balance Due/Refund**

- (1) Error Code 902 will display as follows:

Field Designator	Field Name
TPNC	Taxpayer Notice Code
05B/D	Tax Due/Overpayment
>>>>	Tax Due/Overpayment Computer
05QTX	QFT Tax
05QC	QFT Credits
05G05	Net Investment Income Tax amount
0524	Total Tax
0524>	Total Tax - Computer
0525	Net 965 Tax Liability Paid
0526	Total Payments
>>>>	Total Payments Computer
05EPE	Elective Payment Election amount
0527	Estimated Tax Penalty
0530A	Credit Elect
0530B	Refund

3.12.14.25.60.1
(01-01-2021)

**Invalid Condition - Error
Code 902**

(1) Error Code 902 will generate when the Tax Due/Overpayment claimed by the

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- If the invalid condition is in any way associated with the reporting of Household Employment Tax on Line 7 of Schedule G (Form 1041), see IRM 3.12.14.13, Section 07 - Schedule H (Form 1040), and check for misplaced entries, transcription or coding errors.
- If no errors are found, SSPND 410 to your lead.

Reminder: Expediting refund returns is critical, if the 45-day interest free period is about to expire. See IRM 3.12.14.6.11, Refund Returns 45 Day Jeopardy and \$100 Million Dollar Refunds.

(2) **Special Instructions for Section 965 Returns:**

- See IRM 3.12.14.25.60.3, Section 965 Returns - General Information (Tax Period 201712 - 20211) (EC 902).
- See IRM 3.12.14.25.60.3.1, Section 965 Returns - Tax Period 202012 - 202111 (EC 902)
- See IRM 3.12.14.25.60.3.2, Section 965 Returns - Tax Period 201912 - 202011 (EC 902).
- See IRM 3.12.14.25.60.3.3, Section 965 Returns - Tax Period 201812 - 201911 (EC 902).
- See IRM 3.12.14.25.60.3.4, Section 965 Returns - Tax Period 201712 - 201811 (EC 902).

- See IRM 3.12.14.25.60.3.5, Section 965 Returns Suspense Correction - Tax Period 201712 -202111 (EC 902).

3.12.14.25.60.2
(01-01-2024)

**Correction Procedures -
Error Code 902**

- (1) Correct all misplaced entries, coding errors, and transcription errors. Also, check all attachments and Form 1041 entries to ensure that all amounts were brought forward correctly.
- (2) If EC 902 has “rippled” from a previous error code (and there is no additional error), re-send the previous TPNC.
- (3) If amounts are present in any of Fields 0524 through 0527 and Field 05B/D is blank, enter the computer underprint amount in Field 05B/D.

Note: If the taxpayer has entered “\$0.00” on lines 28 and/or 29, do not bring up the underprint. Follow IRM 3.12.14.24.59.2(6) below and send TPNC 10.

- (4) If Section 1291 Interest is notated on the bottom of the front page of the return, add that amount to amount on Line 24 and input the total into Fields 0524 and 05MCT.
- (5) Amounts for penalties and/or interest should **not** be included in Field 05B/D **unless** it is for Estimated Tax (ES) Penalty.

Exception: ES penalty for Form 1041-N is entered in the bottom margin of Form 1041-N. If the ES penalty is included in Field 0524, reduce Field 0524 by the ES penalty amount.

- (6) If the ES Penalty amount is present on Line 27 **but** has not been included in Fields 0527 **and** 05B/D, the amount may have been waived. Code & Edit may have “X’d” out the amount and EC 902 occurred as a result. Correct as follows:

1. Review Box “D” (Date Entity Created) in the upper right corner of Form 1041.

If...	Then...
A significant amount is present in Field 0516A (Field 0526, Forms 1041-N or 1041-QFT) and IRA22DPE is written near the corresponding line on the form, or on Form 3800, or on an attachment,	Accept the taxpayers amount. If Code and Edit has not done so, 1. Enter RPC "J." 2. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. Note: P&A will provide the pre-printed half-sheets for ERS to use. 3. Suspend with Action Code "450". 4. Sign the DLN out of the block using Form 1332, Block and Selection Record. 5. Give the return to the lead. The lead will place the return in the designated area for LB&I review.
The Tax Period Ending is within two years after the Date Entity Created	Assign TPNC 44.
The Tax Period Ending is not within two years after the Date Entity Created but the amount of ES Penalty is present in Field 0527 but not in Field 05B/D	Add the ES Penalty to the amount in Field 05B/D.
The Tax Period Ending is not within two years after the Date Entity Created and the amount of ES Penalty is not present in Field 0527 and is not included in Field 05B/D	Change Field 05B/D to agree with the underprint amount.

Note: For Tax Periods 198712 to 198811, the ES Penalty was waived. If EC 902 is displayed because the taxpayer has claimed an amount for ES Penalty, assign TPNC 44.

- (7) If all necessary corrections have been made and there is still a difference between the taxpayer's and the computer's figures, assign TPNC 10.

3.12.14.25.60.3
(01-01-2021)

**Section 965 Returns -
General Information (Tax
Period 201712 - 202111)
(EC 902)**

- (1) Taxpayers reporting a Section 965 net tax liability on their 2017 and later tax returns can make certain elections, including:

Section	Description	Form 965-A has data present in...
965(h)	Election to pay Section 965(h) net tax liability in installments	<ul style="list-style-type: none"> Part I, Line 4 TY2020, column (f) and column (g), Yes box marked or column (i). Part I, Line 3 TY2019, column (f) and column (g), Yes box marked or column (i). Part I, Line 2 TY2018, column (f) and column (g), Yes box marked or column (i). Part I, Line 1 TY2017, column (f) and column (g), Yes box marked or column (i).
965(i)	Election to defer until triggering event	<ul style="list-style-type: none"> Part III, Line 4 TY2020, column (e) and column (f), Yes box marked or column (g). Part III, Line 3 TY2019, column (e) and column (f), Yes box marked or column (g). Part III, Line 2 TY2018, column (e) and column (f), Yes box marked or column (g). Part III, Line 1 TY2017, column (e) and column (f), Yes box marked or column (g).

- (2) A TY 2020 Section 965 return can be identified by any of the following:

- Amount present on Line 25 (Form 1041) or Line 19 (Form 1041-N).
- Amount present on Form 965-A, Part II, Line 4, column (k).
- Amount present on Form 1041, Sch. G, Part II, Line 15.
- Amount present on Form 965-A, Part I, Line 4, column (f).
- "Section 965" or "965 Tax" (or similar language) notated on the return, attachments, or statements.

- (3) A TY 2019 Section 965 return can be identified by any of the following:

- Amount present on Line 25 (Form 1041) or Line 19 (Form 1041-N).
- Amount present on Form 965-A, Part II, Line 3, column (k).
- Amount present on Form 1041, Sch. G, Part II, Line 15.
- Amount present on Form 965-A, Part I, Line 3, column (f).

- “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (4) A TY 2019 Section 965 return can be identified by any of the following:
- Amount present on Line 24 (Form 1041) or Line 19 (Form 1041-N).
 - Amount present on Form 965-A, Part II, column (k), Line 2.
 - Amount present on Line 25f (Form 1041).
 - Amount present on Form 965-A, Part I, Line 2, column (f).
 - “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (5) A TY 2017 Section 965 return can be identified by any of the following:
- Amount included on line 8, (Form 1041).
 - Section 965 Amount to be paid in installments include on Line 24a (Form 1041).
 - Section 965 net tax liability amount included in the total on Form 1041, Schedule G, Line 7.
 - Section 965 Transition Tax Statement attached and an amount present on Lines 1, 3, 6 or 7.
 - Amount present on Form 965-A, Part II, Line 1, column (k).
 - Amount present on Form 965-A, Part I, Line 2, column (f).
 - “Section 965” or “965 Tax” (or similar language) notated on the return, attachments, or statements.
- (6) IF the Tax Period is 201712 and later:
- Enter CCC “J” if the return is identified as Section 965 return as indicated in paragraphs (2), (3), (4) or (5) above.
 - Enter CCC “B” if the return has a Section 965(i) election as listed in paragraph (1) above.
- (7) For TY2017 the placement of Net 965 Tax Liability Paid and Net 965 Tax Liability on the form was designed to cause the return to generate an error code. The error code and/or Action Code “460” ensures the return will be examined by an ERS/Rejects tax examiner.
- Note:** For TY 2017, determine the Net 965 Tax Liability paid amount (0525) and the Net 965 Tax Liability Amount (Field 05G15) amount. See IRM 3.12.14.25.60.3.4, Section 965 Returns - Tax Period 201712 - 201811 (EC 902).
- (8) Modernized e-File (MeF) created naming conventions to identify “965” on the return. Some returns may **not** be true Section 965 returns. The numbers “965” may appear in the address, banking account number, EIN or anywhere on the return. If determined that the return is not Section 965, delete CCC “J”, correspond for missing information and continue processing.
- (9) If Form 965-A is attached GTSEC 20 and ensure all field have been transcribed into the correct fields. See IRM 3.12.14.18, Section 20 - Form 965-A, Individual Report of Net 965 Tax Liability.

3.12.14.25.60.3.1
(01-05-2021)

**Section 965 Returns -
Tax Period 202012 -
202111 (EC 902)**

(1) **Field 0525** (Line 25 (Line 19, Form 1041-N)) correction procedures:

If...	And...	Then...
Amount is present on Line 25 (Line 19 Form 1041-N),		Ensure the amount is entered in Field 0525.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ul style="list-style-type: none"> Section 965 tax is less than correspond unless corresponding for other missing information. Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 4, column (k), Part II, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 25 (Line 19 Form 1041-N) amount, continue processing the return. If the amount is not equal to Line 25 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 4, column (k), Part II, Form 965-A, into Field 0525.

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(2) **Field 05G15** (Line 15, Schedule G (Form 1041)) correction procedures:

If...	And...	Then...
Amount is present on Line 15,		Ensure the amount is entered in Field 05G15.
Amount is present on Line 15,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 15,	Form 965-A is attached,	<ol style="list-style-type: none"> If the amount is present on Line 4, column (f), Part I, Form 965-A : <ul style="list-style-type: none"> If the amount is equal to Line 15, amount, take no action and continue processing the return. If the amount is not equal to Line 15, amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 15,	Form 965-A is attached,	Enter the amount from Line 4, column (f), Part I, Form 965-A, into Field 05G15.

3.12.14.25.60.3.2
(01-05-2021)

**Section 965 Returns -
Tax Period 201912 -
202011 (EC 902)**

(1) **Field 0525** (Line 25 (Line 19, Form 1041-N)) correction procedures:

If...	And...	Then...
Amount is present on Line 25 (Line 19 Form 1041-N),		Ensure the amount is entered in Field 0525.

If...	And...	Then...
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ul style="list-style-type: none"> • Section 965 tax is less than correspond unless corresponding for other missing information. • Section 965 tax more, SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 3, column (k), Part II Form 965-A: <ul style="list-style-type: none"> • If the amount is equal to Line 25 (Line 19 Form 1041-N) amount, continue processing the return. • If the amount is not equal to Line 25 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 3, column (k), Part II , Form 965-A, into Field 0525.

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(2) **Field 05G15** (Line 15, Schedule G (Form 1041)) correction procedures:

If...	And...	Then...
Amount is present on Line 15,		Ensure the amount is entered in Field 05G15.

If...	And...	Then...
Amount is present on Line 15,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 15,	Form 965-A is attached,	<ol style="list-style-type: none"> If the amount is present on Line 3, column (f), Part I Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 15, amount, take no action and continue processing the return. If the amount is not equal to Line 15, amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 15,	Form 965-A is attached,	Enter the amount from Line 3, column (f), Part I, Form 965-A, into Field 05G15.

3.12.14.25.60.3.3
(01-05-2021)

**Section 965 Returns -
Tax Period 201812 -
201911 (EC 902)**

(1) **Field 0525** (Line 24 (Line 19, Form 1041-N)) correction procedures:

If...	And...	Then...
Amount is present on Line 24 (Line 19 Form 1041-N),		Ensure the amount is entered in field 0525.

If...	And...	Then...
Amount is present on Line 24 (Line 19 Form 1041-N),	Form 965-A is not attached,	1. If Section 965 tax is paid in full : <ul style="list-style-type: none"> • Section 965 tax is less than correspond unless corresponding for other missing information. • Section 965 or more, SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 24 (Line 19 Form 1041-N),	Form 965-A is attached,	1. If the amount is present on Line 2, column (k), Part II, Form 965-A : <ul style="list-style-type: none"> • If the amount is equal to Line 24 (Line 19 Form 1041-N) amount, continue processing the return. • If the amount is not equal to Line 24 (Line 19, Form 1041-N) amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 24 (Line 19 Form 1041-N),	Form 965-A is attached,	Enter the amount from Line 2, column (k), Part II , Form 965-A, into Field 0525.

#

#

(2) Field 05G15 (Line 25f, Form 1041) correction procedures:

If...	And...	Then...
Amount is present on Line 25f,		Ensure the amount is entered in field 05G15.
Amount is present on Line 25f,	Form 965-A is not attached,	SSPND Action Code 211 and correspond for Form 965-A.
Amount is present on Line 25f,	Form 965-A is attached,	<ol style="list-style-type: none"> If the amount is present on Line 2, column (f), Part I, Form 965-A: <ul style="list-style-type: none"> If the amount is equal to Line 25f amount, take no action and continue processing the return. If the amount is not equal to Line 25f amount, SSPND and correspond for explanation of the difference.
Amount is not present on Line 25f,	Form 965-A is attached,	Enter the amount from Line 2, column (f), Part I, Form 965-A, into Field 05G15.

3.12.14.25.60.3.4
(01-01-2020)

**Section 965 Returns -
Tax Period 201712 -
201811 (EC 902)**

(1) If Form 965-A is attached do the following:

If...	Then...
Amount is present on Line 1, column (k), Part II, Form 965-A,	Enter the Line 1, column (k) amount into Field 0525.
Amount is present on Line 1, column (f), Part I, Form 965-A,	Enter the Line 1, column (f) amount into Field 05G15.

3.12.14.25.60.3.5
(01-01-2021)

**Section 965 Returns
Suspense Correction -
Tax Period 201712 -
202111 (EC 902)**

- (1) Fields 0525 and 05G15 are valid for Tax Period 201712 and later returns
 - See IRM 3.12.14.25.60.3, Section 965 Returns - General Information Tax Period 201712 - 202111) (EC 902).
 - See IRM 3.12.14.25.60.3.1, Section 965 Returns - Tax Period 202012 - 202111 (EC 902)
 - See IRM 3.12.14.25.60.3.2, Section 965 Returns - Tax Period 201912 -202011 (EC 902).
 - See IRM 3.12.14.25.60.3.3, Section 965 Returns - Tax Period 201812 - 201911 (EC 902).
 - See IRM 3.12.14.25.60.3.4, Section 965 Returns - Tax Period 201712 - 201811 (EC 902).
- (2) **Paper filed Section 965 Returns:** If the taxpayer has elected under Section 965(h) to pay its Section 965(h) net tax liability in installments, scan the pages of the return with the Section 965 tax data and the IRC Section 965 Transition Tax Statement (for TY2017 returns) and e-mail the scan to the Chief Financial Officer (CFO) at **CFO Tax Reform 965*.

Note: Do not make copies when the taxpayer is paying in full its entire Section 965 net tax liability or when the taxpayer makes a Section 965(i) election, in which case the Section 965(i) net tax liability will not be assessed until a triggering event occurs.

3.12.14.25.60.4
(01-01-2024)

**Valid Taxpayer Notice
Codes - Error Code 902**

- (1) Valid TPNCs for Error Code 902 are:

TPNC	Literal
10	We found an error in the computation of the tax due or overpayment amount.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
44	We eliminated the estimated tax penalty for the above tax period. If you prepaid the penalty, we will refund it to you.
46	According to our records, you should file as an Estate using Form 1041 instead of filing Form 1040. We transferred the information submitted on your Form 1040 to Form 1041 and processed it using the applicable exemption amount and tax rates for an estate return.
71	We changed the deferred payment of refundable credit for qualified sick and family leave wages. The change was due to transferring the amount from Schedule H, Household Employment Taxes.
72	We changed the deferred payment of employer's share of Social Security tax. The change was due to claiming more than the statutory limit allows or the amounts used to determine your deferred payment on Schedule H, Household Employment Taxes were in error.

TPNC	Literal
73	We changed the amount for the Elective Payment Election (EPE) because the Form 3800, General Business Credit, Part III, was computed incorrectly.
74	We didn't allow all or part of the credit claimed as clean vehicle credit on your return because one or more of the Vehicle Identification Numbers (VIN) reported on Schedule A (Form 8936), Clean Vehicle Credit Amount, didn't match our records.
90	Blank Notice

See Exhibit 3.12.14-36, Taxpayer Notice Codes for Form 1041.

3.12.14.25.61

(01-01-2020)

**Error Code 903 - High
Dollar Refund**

(1) Error Code 903 will display as follows:

Field Designator	Field Name
CL	Clear Code
01RDD>	Return Due Date - Computer
01CCC	Computer Condition Code
0527	Estimated Tax Penalty
05B/D	Tax Due/Overpayment
>>>>	Tax Due/Overpayment - Computer
0530A	Credit Elect
0530B	Net Refund

3.12.14.25.61.1

(01-01-2022)

**Invalid Condition - Error
Code 903**

(1) Error Code 903 will generate when the computer amount for Overpayment present.

#

3.12.14.25.61.2

(01-01-2019)

**Correction Procedures -
Error Code 903**

(1) Correct all misplaced entries, coding errors, and transcription errors.

(2) Determine if a manual refund is present:

If...	Then...
TC 840 has posted or is pending (PN 840) to BMFOL or TXMOD and is for the same overpayment on the return (TC 840/846 minus the interest TC 770), or Form 3753 or Form 5792 is attached	Enter CCC "O" in Field 01CCC.

(3) If no manual refund is present or pending:

If...	Then...
There is no indication that a manual refund has been issued, processing date is less than 20 days from the received date or return due date (whichever is later),	<ol style="list-style-type: none"> This step is essential. Verify the transcribed amount in Field 0530B, equals the taxpayer's amount on Line 30b, Amount of line 29 to be Refunded. The transcribed amount equals the refund amount on the return, then clear the return for a systemic refund. <p>Note: If the transcription is wrong, correct it. If it repeats the error, then clear the return.</p>
There is no indication that a manual refund has been issued, and the refund requested is less than \$100 million, and the processing date is 20 days or more from the received date or return due date (whichever is later),	<ol style="list-style-type: none"> SSPND 341 (Manual Refund). Flag the return for issuance of a manual refund.
There is no indication that a manual refund has been issued, and the refund requested is \$100 million or more,	<ol style="list-style-type: none"> SSPND 341 (Manual Refund). Flag the return for issuance of a manual refund.

#

Note: Electronically filed returns cannot have transcription errors, therefore can be cleared for a systemic refund, as long as they are not in interest jeopardy.

3.12.14.25.62

(01-01-2020)

Error Code 904 - Total Tax Blank with Remittance

- (1) Error Code 904 will display as follows:

Field Designator	Field Name
01TXP	Tax Period
01CCC	Computer Condition Code
05QTX	QFT Taxes
05QC	QFT Credits
0524	Total Tax
05B/D	Tax Due/Overpayment
>>>>	Tax Due/Overpayment - Computer
RMIT>	Remittance

Note: The literal "Section 05 not present" will display if no entries are present in Section 05.

3.12.14.25.62.1

(01-01-2020)

Invalid Condition - Error Code 904

- (1) Error Code 904 will generate when Total Tax is blank and **either** of the following conditions are present:

1. A remittance amount is present; **or**
2. The RRPS/ISRP indicator is present.
 - If the invalid condition is in any way associated with the reporting of Household Employment Tax on Line 7 of Schedule G (Form 1041), see IRM 3.12.14.13, Section 07 - Schedule H (Form 1040) and check for misplaced entries, transcription or coding errors.
 - If no errors are found, SSPND 410 to your lead.

3.12.14.25.62.2

(01-01-2020)

Correction Procedures - Error Code 904

- (1) Correct all misplaced entries, coding errors, and transcription errors.
- (2) Check for a taxpayer explanation of the payment received.

If...	Then...
The remittance amount equals the refund amount in Field 05B/D,	<ol style="list-style-type: none"> 1. Change Field 05B/D to become positive. 2. When EC 902 generates, assign TPNC 10.
No entries are present in Field RMIT>, Field 05B/D is a negative amount (refund return) and the literal RPS is present,	Enter \$0.01 in Field 0524.
Taxpayer states that the amount is for "Penalty And Interest" or the penalty and interest are present with a zero balance on a remittance return,	Enter \$0.01 in Field 0524.
No entries are present in Field RMIT> and Field 05B/D but the literal "RPS" is present on the top line of the screen display,	Enter \$0.01 in Field 0524.
No data is present, the taxpayer does not give an explanation for the remittance amount or indicates that it belongs on another tax module,	SSPND 351.

3.12.14.25.62.3
(01-01-2016)

**Suspense Correction -
Error Code 904**

- (1) If no data is found, the tax examiner working the suspense inventory will correspond with the taxpayer. If no data is present and you can determine where to apply the remittance amount:

1. Enter "X" in Field 01CCC.
3. Prepare Form 3465 to indicate the amount and module to which the credit should be applied.
4. Notate "Form 3465 prepared" on Form 1041.
5. Forward the return to Adjustments (follow local procedures).

#

3.12.14.25.63
(01-01-2019)

**Error Code 905 -
Expedite Processing of
Refunds**

- (1) Error Code 905 will display as follows:

Field Designator	Field Name
CL	Clear Code
01RCD	Received Date
01CCC	Computer Condition Code
01MSC	Reserved
01CRD	Correspondence Received Date

Field Designator	Field Name
01RDD>	Return Due Date - Computer
05B/D	Tax Due/Overpayment
>>>>>	Tax Due/Overpayment - Computer
0530A	Credit Elect
0530B	Refund

3.12.14.25.63.1

(01-01-2019)

Invalid Condition - Error Code 905

- (1) Error Code 905 will generate when all the following conditions are present:

- The process date is 20 days or more after the interest penalty date, and CCC O is not present, **and**
- No missing schedule codes are present.

Note: Interest Penalty Date is the later of Received Date, the Correspondence Received Date, or the Return Due Date.

#

3.12.14.25.63.2

(03-23-2016)

Correction Procedures - Error Code 905

- (1) Check for misplaced entries, coding and transcription errors.
(2) Follow the instructions below:

If...	Then...
There is an indication that a manual refund has been issued,	Enter O in Field 01CCC.
There is no indication that a manual refund has been issued,	SSPND 341 and expedite return to ERS/Rejects.

- (3) If a manual refund is not needed, enter a C in the Clear Code Field. Some examples are:

- Amended returns,
- No Reply returns,
- Certain freeze codes, or

#

3.12.14.25.64

(01-01-2016)

Error Code 999 - End of Year

- (1) Error Code 999 will display as follows:

Field Designator	Field Name
01TXP	Tax Period

- 3.12.14.25.64.1
(01-01-2016)
Invalid Condition - Error Code 999
- (1) Error Code 999 will generate for all returns that are in error status at the end of the processing year.
- 3.12.14.25.64.2
(01-01-2016)
Correction Procedures - Error Code 999
- (1) Since the system will re-validate the record and set validity checks and based on next processing year's program, the only correction procedure required for Error Code 999 is for the tax examiner to transmit.
- 3.12.14.26
(01-01-2022)
Manual Computation Instructions
- (1) The computer will accurately compute the Tax on most returns if they have been properly filled out, edited, and transcribed. **However**, manual computation of Tax is occasionally needed to provide accurate settlement of tax returns.
- Enter the manually computed Gross Tax in Field 05GVT.
- (2) Some of the reasons manual computation may be required are:
- Short Period Returns (Initial or Final)
 - Short Period Returns (Change of Accounting Period)
 - 52-53 Week Tax Period Filers
 - Rate Reduction Credit
 - Tax Periods Ending 197105 and prior
 - Form 4726 for Tax Periods 198212 and prior
 - Settlement Fund Returns
- (3) To determine the Tax Rates for Short Period Returns that straddle two separate years, see Exhibit 3.12.14-31, Tax Rates (Form 1041).
- Note:** In the case of a taxpayer error on a manual computation return, if the tax examiner's computation disagrees with **both** the computer-generated amount **and** the taxpayer's amount, the "Rule of Two" is not satisfied until a second examiner's computation arrives at the same results as the first examiner's computation.
- 3.12.14.26.1
(01-01-2022)
Short Period Returns (Initial or Final)
- (1) If an "Initial" or "Final" return appears on the screen because a taxpayer used a different Tax Rate, verify the Tax computation.
1. Determine the Tax Rate based on the year in which the short period begins.

If...	Then...
The short period begins and ends in the same calendar year	Manually compute Tax (including Schedule D Tax). Example: If the period covered by the return is February 2023 through June 2023, the tax will have to be manually verified using the Tax Rate Schedule for Tax Periods 202312 through 202411. In this case, the computer-generated Tax will be correct .
The short period begins and ends in a different calendar year ,	Tax will be computed using the year in which the Short Period begins. Example: A return which covers the period September 1, 2022 through June 30, 2023 should use the Tax Rate Schedules for Tax Periods 202212 through 202311 and 202312 through 202411. In this case, the computer-generated Tax will be incorrect .

(2) **The formula for computing Annualized Gross Tax using the Tax Rate Schedule:**

Step	Computation
1	$(\text{Months in Short Period} \div 12) \times \text{Exemption Allowed} = \text{Prorated Exemption (Line 21)}$
2	$\text{Line 9} - (\text{Line 16} + \text{Line 21}) = \text{Taxable Income (Line 22)}$
3	$\text{Taxable Income} \times (12 \div \text{Months in Short Period}) = \text{Annualized Income}$
4	$\text{Annualized Income} \times \text{Applicable Tax Rate} = \text{Annualized Tax}$
5	$\text{Annualized Tax} \times (\text{Months in Short Period} \div 12) = \text{Annualized Gross Tax}$

Note: If the taxpayer has used days to compute tax, verify the computations using days instead of months.

(3) See Exhibit 3.12.14-31, Tax Rates (Form 1041), to determine the Tax Rates for Short Period Returns that straddle two separate years.

Reminder: The Rule of Two applies.

3.12.14.26.2
(01-01-2022)

**Short Period Returns
(Change of Accounting
Period)**

- (1) All Form 1041 **must** be filed on a calendar year basis unless they met certain qualifications.

Note: To change the accounting period, the taxpayer **must** file obtain the permission. To obtain the necessary permission, the taxpayer must either attach a completed Form 1128 to the tax return (if qualifying for an automatic grant of the permission) or receive a ruling from the National Office (if not qualifying for an automatic grant of the permission).

- (2) A "Y" will be present in Field 01CCC (entered by Code & Edit) if a Change In Accounting Period has been approved.
- (3) See IRM 3.12.14.26.1, Short Period Returns (Initial or Final), to determine the annualization formula.
- (4) If the determined Tax is **different** from the taxpayer's amount, assign a TPNC or prepare Letter 3833C to explain the adjustment.

Reminder: The Rule of Two applies.

3.12.14.26.3
(01-01-2022)

**52-53 Week Tax Period
Filers**

- (1) All 52-53 week filers who straddle two Tax Periods require manual verification.

Note: The Tax Period may **not** end more than 6 days before or 3 days after the end of the month.

- (2) When there is a Tax Rate change during the year for a 52-53 week filer, the Tax will be computed on a prorated basis.

Reminder: The Rule of Two applies.

3.12.14.26.4
(01-01-2024)

**Converting Form 1040,
Form 1040-SR, Form
1040-A and Form
1040-EZ to Form 1041 -
No Reply**

- (1) Form 1040, Form 1040-SR, Form 1040-A and Form 1040-EZ **cannot** be filed for a deceased taxpayer (or two deceased taxpayers on a joint return) if the return covers a Tax Period **after** the one in which the taxpayer(s) died.
- (2) C&E corresponded for Form 1041 after making the determination that a Form 1040 needed to be converted.

Note: If this correspondence has not been sent, SSPND 211 to correspond for Form 1041 if income is over \$600.

- (3) If there is no reply to the correspondence, convert the return to Form 1041 using the following procedures.

1. Enter the Tax Period in Field 01TXP.
2. Enter the Received Date in Field 01RCD. All Form 1040 or Form 1040-SR), Form 1040-A and Form 1040-EZ must have a Received Date.

If...	Then...
There is no Received Date present	Enter 20230415 in Field 01RCD.

If...	Then...
There is a single, timely Received Date present,	Enter the Received Date from the return into Field 01RCD.
There is a single, delinquent Received Date present on the return,	Enter 20230415 in Field 01RCD.
There is a single Received Date from a processing center other than OSPC or KCSPC present on the return,	Enter the Received Date from the return into Field 01RCD.
There are multiple Received Dates present on the return,	<ol style="list-style-type: none"> 1. Enter the earliest IMF Received Date or the earliest, timely BMF Received Date from the return into Field 01RCD. 2. If all the Received Dates are all delinquent, enter 20230415 in Field 01RCD.

3. Enter "1" in Field 01FID.

4. Enter the tax data information from the return:

Note: For Tax Year 2019 and later, Form 1040 and Form 1040-SR are filed with Schedules 1 through 3. Tax Year 2018 was filed with Schedules 1 through 6. Those schedules are no longer available. In the tables below, a line reference without a schedule listed refers to Form 1040 or Form 1040-SR.

5. See BMF ERS Job Aid for conversion exhibits.

Tax Year 2023

Form 1040 and Attachments	Form 1041 Fields
Line 2b (Taxable Interest)	0401
Line 3b (Ordinary Dividends)	042A
Line 3a (Qualified Dividends)	042B2
Schedule 1, Line 3 (Business Income Sch. C)	0403
Line 7 (Capital Gain Sch. D)	0404
Schedule 1, Line 5 (Rental, Royalties, Partnerships, S Corporations Trusts etc. Sch. E)	0405
Schedule 1, Line 6 (Farm Income Sch. F)	0406
Schedule 1, Line 4 (Other Gains)	0407

Form 1040 and Attachments	Form 1041 Fields
Other Income field includes the combined amounts below: <ul style="list-style-type: none"> • Line 1z (Total Wages and Income) • Line 4b (Taxable IRAs) • Line 5b (Taxable Pensions and Annuities) • Line 6b (Taxable Social Security) • Schedule 1, Line 1, (Taxable Refunds) • Schedule 1, Line 2a (Alimony) • Schedule 1, Line 7 (Unemployment) • Schedule 1, Line 9 (Other Income) 	0408
Schedule 1, Line 26 (Adjustments to Income)	0415A
Schedule 2, Line 1 (Alternative Minimum Tax)	05G1C
Schedule 3, Line 1 (Foreign Tax Credit)	05G2A
Form 3800, Part II, Line 38 (General Business Credit)	05G2B
Other Credits includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 3, Line 2 (Child and Dependent Care Credit) • Schedule 3, Line 3 (Education Credit) • Schedule 3, Line 4 (Retirement Savings Contribution) • Schedule 3, Line 5a (Residential Energy Credit) • Schedule 3, Line 5b (Energy Efficient Home Credit) • Schedule 3, Line 7 (Other Nonrefundable Credits) • Form 1040, Line 19 (Child Tax Credit) 	05G2N
Schedule 2, Line 12 (Net Investment Income Tax)	05G05
Schedule 2, Line 16 (Recapture of Low-Income Housing Credit)	05GLH
Schedule 2, Line 9 (Household Employment Taxes)	05G07

Form 1040 and Attachments	Form 1041 Fields
<p>Schedule G Other Taxes field includes the combined amounts below:</p> <ul style="list-style-type: none"> • Schedule 2, Line 4 (Self-employment Tax) • Schedule 2, Line 7 (Total additional SS and Med tax) • Schedule 2, Line 8 (Additional tax on IRAs) • Schedule 2, Line 10 (First Time Homebuyers repayment) • Schedule 2, Line 11 (Additional Medicare Tax, Form 8959) • Schedule 2, Line 13 (Uncollected SS or Medicare or RRTA tax from W-2) • Schedule 2, Line 14 (Interest on tax due on installment income) • Schedule 2, Line 15 (Interest on the deferred tax on installment sales with a sales price over \$150,000) • Schedule 2, Lines 17b through 17z (Other taxes) 	05G08
Line 15 (Taxable Income)	0522
Line 16 (Total Tax)	0524
Schedule 2, Line 20 (Section 965 net tax liability Installment)	0525
Line 25d (Federal Income Tax Withheld)	05G14
Line 26 (Estimated Tax Payments)	05G10
Schedule 3, Line 10 (Amount Paid With Extension)	05G13
Schedule 3, Line 13a (Form 2439 Payments)	0516A
Schedule 3, Line 13b (Qualified Sick & Family Leave Credit Sch. H)	05G17
Line 33 (Total Payments)	0526
Line 34 (Overpayment)	05B/D
Line 35a (Refund)	0530B
Line 36 (Applied to Estimated Tax)	0530A
Line 37 (Tax Due)	05B/D
Line 38 (Estimated Tax Penalty)	0527

Tax Year 2022

Form 1040 and Attachments	Form 1041 Fields
Line 2b (Taxable Interest)	0401
Line 3b (Ordinary Dividends)	042A
Line 3a (Qualified Dividends)	042B2
Schedule 1, Line 3 (Business Income Sch. C)	0403
Line 7 (Capital Gain Sch. D)	0404
Schedule 1, Line 5 (Rental, Royalties, Partnerships, S Corporations Trusts etc. Sch. E)	0405
Schedule 1, Line 6 (Farm Income Sch. F)	0406
Schedule 1, Line 4 (Other Gains)	0407
Other Income field includes the combined amounts below: <ul style="list-style-type: none"> • Line 1z (Total Wages and Income) • Line 4b (Taxable IRAs) • Line 5b (Taxable Pensions and Annuities) • Line 6b (Taxable Social Security) • Schedule 1, Line 1, (Taxable Refunds) • Schedule 1, Line 2a (Alimony) • Schedule 1, Line 7 (Unemployment) • Schedule 1, Line 9 (Other Income) 	0408
Schedule 1, Line 26 (Adjustments to Income)	0415A
Schedule 2, Line 1 (Alternative Minimum Tax)	05G1C
Schedule 3, Line 1 (Foreign Tax Credit)	05G2A
Form 3800, Part II, Line 38 (General Business Credit)	05G2B
Other Credits includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 3, Line 2 (Child and Dependent Care Credit) • Schedule 3, Line 3 (Education Credit) • Schedule 3, Line 4 (Retirement Savings Contribution) • Schedule 3, Line 5 (Residential Energy Credit) • Schedule 3, Line 7 Other Nonrefundable Credits) • Form 1040, Line 19 (Child Tax Credit) 	05G2N
Schedule 2, Line 12 (Net Investment Income Tax)	05G05
Schedule 2, Line 16 (Recapture of Low-Income Housing Credit)	05G06
Schedule 2, Line 9 (Household Employment Taxes)	05G07

Form 1040 and Attachments	Form 1041 Fields
<p>Schedule G Other Taxes field includes the combined amounts below:</p> <ul style="list-style-type: none"> • Schedule 2, Line 4 (Self-employment Tax) • Schedule 2, Line 7 (Total additional SS and Med tax) • Schedule 2, Line 8 (Additional tax on IRAs) • Schedule 2, Line 10 (First Time Homebuyers repayment) • Schedule 2, Line 11 (Additional Medicare Tax, Form 8959) • Schedule 2, Line 13 (Uncollected SS or Medicare or RRTA tax from W-2) • Schedule 2, Line 14 (Interest on tax due on installment income) • Schedule 2, Line 15 (Interest on the deferred tax on installment sales with a sales price over \$150,000) • Schedule 2, Lines 17b through 17z (Other taxes) 	05G08
Line 15 (Taxable Income)	0522
Line 16 (Total Tax)	0524
Schedule 2, Line 20 (Section 965 net tax liability Installment)	0525
Line 25d (Federal Income Tax Withheld)	05G14
Line 26 (Estimated Tax Payments)	05G10
Schedule 3, Line 10 (Amount Paid With Extension)	05G13
Schedule 3, Line 13a (Form 2439 Payments)	0516A
Schedule 3, Line 13b (Qualified Sick & Family Leave Credit Sch. H)	05G17
Line 33 (Total Payments)	0526
Line 34 (Overpayment)	05B/D
Line 35a (Refund)	0530B
Line 36 (Applied to Estimated Tax)	0530A
Line 37 (Tax Due)	05B/D
Line 38 (Estimated Tax Penalty)	0527

Tax Year 2021

Form 1040 and Attachments	Form 1041 Fields
Line 2b (Taxable Interest)	0401
Line 3b (Ordinary Dividends)	042A
Line 3a (Qualified Dividends)	042B2
Schedule 1, Line 3 (Business Income Sch. C)	0403
Line 7 (Capital Gain Sch. D)	0404
Schedule 1, Line 5 (Rental, Royalties, Partnerships, S Corporations Trusts etc. Sch. E)	0405
Schedule 1, Line 6 (Farm Income Sch. F)	0406
Schedule 1, Line 4 (Other Gains)	0407
Other Income field includes the combined amounts below: <ul style="list-style-type: none"> • Line 1 (Wages) • Line 4b (Taxable IRAs) • Line 4d (Taxable Pensions and Annuities) • Line 5b (Taxable Social Security) • Schedule 1, Line 1, (Taxable Refunds) • Schedule 1, Line 2a (Alimony) • Schedule 1, Line 7 (Unemployment) • Schedule 1, Line 8 (Other Income) 	0408
Schedule 1, Line 26 (Adjustments to Income)	0415A
Schedule 2, Line 1 (Alternative Minimum Tax)	05G1C
Schedule 3, Line 1 (Foreign Tax Credit)	05G2A
Form 3800, Part II, Line 38 (General Business Credit)	05G2B
Other Credits includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 3, Line 2 (Child and Dependent Care Credit) • Schedule 3, Line 3 (Education Credit) • Schedule 3, Line 4 (Retirement Savings Contribution) • Schedule 3, Line 5 (Residential Energy Credit) • Schedule 3, Line 7 Other Nonrefundable Credits) • Form 1040, Line 19 (Child Tax Credit) 	05G2N
Schedule 2, Line 12 (Net Investment Income Tax)	05G05
Schedule 2, Line 16 (Recapture of Low-Income Housing Credit)	05G06
Schedule 2, Line 9 (Household Employment Taxes)	05G07

Form 1040 and Attachments	Form 1041 Fields
<p>Schedule G Other Taxes field includes the combined amounts below:</p> <ul style="list-style-type: none"> • Schedule 2, Line 4 (Self-employment Tax) • Schedule 2, Line 7 (Total additional SS and Med tax) • Schedule 2, Line 8 (Additional tax on IRAs) • Schedule 2, Line 10 (First Time Homebuyers repayment) • Schedule 2, Line 11 (Additional Medicare Tax, Form 8959) • Schedule 2, Line 13 (Uncollected SS or Medicare or RRTA tax from W-2) • Schedule 2, Line 14 (Interest on tax due on installment income) • Schedule 2, Line 15 (Interest on the deferred tax on installment sales with a sales price over \$150,000) • Schedule 2, Lines 17b through 17z (Other taxes) 	05G08
Line 15 (Taxable Income)	0522
Line 16 (Total Tax)	0524
Schedule 2, Line 20 (Section 965 net tax liability Installment)	0525
Line 25d (Federal Income Tax Withheld)	05G14
Line 26 (Estimated Tax Payments)	05G10
Schedule 3, Line 10 (Amount Paid With Extension)	05G13
Schedule 3, Line 13a (Form 2439 Payments)	0516A
Line 33 (Total Payments)	0526
Line 34 (Overpayment)	05B/D
Line 35a (Refund)	0530B
Line 36 (Applied to Estimated Tax)	0530A
Line 37 (Tax Due)	05B/D
Line 38 (Estimated Tax Penalty)	0527

Tax Year 2020

Form 1040 and Attachments	Form 1041 Fields
Line 2b (Taxable Interest)	0401
Line 3b (Ordinary Dividends)	042A

Form 1040 and Attachments	Form 1041 Fields
Line 3a (Qualified Dividends)	042B2
Schedule 1, Line 3 (Business Income Sch. C)	0403
Line 7 (Capital Gain Sch. D)	0404
Schedule 1, Line 5 (Rental, Royalties, Partnerships, S Corporations Trusts etc. Sch. E)	0405
Schedule 1, Line 6 (Farm Income Sch. F)	0406
Schedule 1, Line 4 (Other Gains)	0407
Other Income field includes the combined amounts below: <ul style="list-style-type: none"> • Line 1(Wages) • Line 4b (Taxable IRAs) • Line 4d (Taxable Pensions and Annuities) • Line 5b (Taxable Social Security) • Schedule 1, Line 1, (Taxable Refunds) • Schedule 1, Line 2a (Alimony) • Schedule 1, Line 7 (Unemployment) • Schedule 1, Line 8 (Other Income) 	0408
Schedule 1, Line 22 (Adjustments to Income)	0415A
Schedule 2, Line 1 (Alternative Minimum Tax)	05G1C
Schedule 3, Line 1 (Foreign Tax Credit)	05G2A
Form 3800, Part II, Line 38 (General Business Credit)	05G2B
Other Credits includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 3, Line 2 (Child and Dependent Care Credit) • Schedule 3, Line 3 (Education Credit) • Schedule 3, Line 4 (Retirement Savings Contribution) • Schedule 3, Line 5 (Residential Energy Credit) • Schedule 3, Line 6c • Form 1040, Line 19 (Child Tax Credit) 	05G2N
Form 8960, Line 21 (Net Investment Income Tax)	05G04
Schedule 2, Line 5 (Unreported Social Security and Medicare Tax)	05G05
Schedule 2, Line 7a (Household Employment Taxes)	05G07
Schedule G Other Taxes field includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 2, Line 4 (Self-employment Tax) • Schedule 2, Line 6 (Additional tax on IRAs) • Schedule 2, Line 7b (First Time Homebuyers repayment) • Schedule 2, Line 7c (Other write in taxes) 	05G08

Form 1040 and Attachments	Form 1041 Fields
Line 15 (Taxable Income)	0522
Line 16 (Total Tax)	0524
Schedule 2, Line 9 (Section 965 net tax liability Installment)	0525
Line 25d (Federal Income Tax Withheld)	05G14
Line 26 (Estimated Tax Payments)	05G10
Schedule 3, Line 9 (Amount Paid With Extension)	05G13
Schedule 3, Line 12a (Form 2439 Payments)	0516A
Schedule 3, Line 12b (Qualified Sick & Family Leave Credit Sch. H)	05G17
Schedule 3, Line 12e (Deferred Social Security Taxes Schedule H)	05G18
Line 33 (Total Payments)	0526
Line 34 (Overpayment)	05B/D
Line 35a (Refund)	0530B
Line 36 (Applied to Estimated Tax)	0530A
Line 37 (Tax Due)	05B/D
Line 38 (Estimated Tax Penalty)	0527

Tax Year 2019

Form 1040 & Form 1040-S	Form 1041 Fields
Line 2b (Taxable Interest)	0401
Line 3b (Ordinary Dividends)	042A
Line 3a (Qualified Dividends)	042B2
Schedule 1, Line 3 (Business Income Sch. C)	0403
Line 66 (Capital Gain Sch. D)	0404
Schedule 1, Line 5 (Rental, Royalties, Partnerships, S Corporations Trusts etc. Sch. E)	0405
Schedule 1, Line 6 (Farm Income Sch. F)	0406
Schedule 1, Line 4 (Other Gains)	0407

Form 1040 & Form 1040-S	Form 1041 Fields
Other Income field includes the combined amounts below: <ul style="list-style-type: none"> • Line 1(Wages) • Line 4b (Taxable IRAs) • Line 4d (Taxable Pensions and Annuities) • Line 5b (Taxable Social Security) • Schedule 1, Line 1, (Taxable Refunds) • Schedule 1, Line 2a (Alimony) • Schedule 1, Line 7 (Unemployment) • Schedule 1, Line 8 (Other Income) 	0408
Schedule 1, Line 22 (Adjustments to Income)	0415A
Schedule 2, Line 1 (Alternative Minimum Tax)	05G1C
Schedule 3, Line 1 (Foreign Tax Credit)	05G2A
Form 3800, Part II, Line 38 (General Business Credit)	05G2B
Other Credits includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 3, Line 2 (Child and Dependent Care Credit) • Schedule 3, Line 3 (Education Credit) • Schedule 3, Line 4 (Retirement Savings Contribution) • Schedule 3, Line 5 (Residential Energy Credit) • Schedule 3, Line 6c • Form 1040, Line 19 (Child Tax Credit) 	05G2N
Form 8960, Line 29 (Net Investment Income Tax)	05G04
Schedule 2, Line 5 (Unreported Social Security and Medicare Tax)	05G05
Schedule 2, Line 7a (Household Employment Taxes)	05G07
Schedule G Other Taxes field includes the combined amounts below: <ul style="list-style-type: none"> • Schedule 2, Line 4 (Self-employment Tax) • Schedule 2, Line 6 (Additional tax on IRAs) • Schedule 2, Line 7b (First Time Homebuyers repayment) • Schedule 2, Line 7c (Other write in taxes) 	05G08
Line 11b (Taxable Income)	0522
Line 16 (Total Tax)	0524
Schedule 2, Line 9 (Section 965 net tax liability Installment)	0525
Line 17 (Federal Income Tax Withheld)	05G14
Schedule 3, Line 8 (Estimated Tax Payments)	05G10
Schedule 3, Line 10 (Amount Paid With Extension)	05G13

Form 1040 & Form 1040-S	Form 1041 Fields
Schedule 3, Line 13a (Form 2439 Payments)	0516A
Line 19 (Total Payments)	0526
Line 20 (Overpayment)	05B/D
Line 21a (Refund)	0530B
Line 22 (Applied to Estimated Tax)	0530A
Line 23 (Tax Due)	05B/D
Line 24 (Estimated Tax Penalty)	0527

Schedule A (Form 1040 or Form 1040-SR)	Form 1041 Fields
Line 7 (Total Taxes Paid)	0411
Line 10 (Total Interest Paid)	0410
Line 14 (Total Gifts to Charity)	0413
Line 15 (Casualty and Theft Losses) + Line 16 (Other Itemized Deductions)	0415A

Schedule D (Form 1040 or Form 1040SR)	Form 1041 Fields
Line 7, Column (h) (Net Short-Term Capital Gain or Loss)	1017
Line 15, Column (h) (Net Long-Term Capital Gain or Loss)	1018A
Line 16 (total of Line 7 and Line 18)	1019
Line 18 (28% Rate Gain or Loss)	1018C
Line 19 (Unrecaptured Section 1250 Gain)	1018B

Tax Year 2018

Form 1040	Form 1041 Fields
Line 2b (Taxable Interest)	0401
Line 3b (Ordinary Dividends)	042A
Line 3a (Qualified Dividends)	042B2
Schedule 1, Line 12 (Business Income)	0403
Schedule 1, Line 13 (Capital Gain)	0404

Form 1040	Form 1041 Fields
Schedule 1, Line 17 (Rental, Royalties, Partnerships, S Corporations Trusts etc. Schedule E Income)	0405
Schedule 1, Line 18 (Farm Income)	0406
Schedule 1, Line 14 (Other Gains)	0407
Line 1(Wages) + Line 5b (Taxable Social Security) + Line 4b (Taxable IRAs, Pensions and Annuities) + Schedule 1, Line 10, S(Taxable Refunds) + Schedule 1, Line 11 (Alimony) + Schedule 1, Line 19 (Unemployment) + Schedule 1, Line 21 (Other Income) (TY 2017)	0408
Schedule 2, Line 45 (Alternative Minimum Tax)	05G1C
Schedule 3, Line 48 (Foreign Tax Credit)	05G2A
Schedule 3, Line 54 (Other Credits)	05G2B
Schedule 4, Line 58 (Unreported Social Security and Medicare Tax)	05G08
Schedule 4, Line 60a (Household Employment Taxes)	05G07
Line 15 (Total Tax)	0524
Line 16 (Federal Income Tax Withheld)	05G14
Line 19 (Overpayment)	05B/D
Line 20a (Refund)	0530B
Line 21 (Applied to Estimated Tax)	0530A
Line 22 (Tax Due)	05B/D
Line 23 (Estimated Tax Penalty)	0527

Schedule A (Form 1040)	Form 1041 Fields
Line 7 (Total Taxes Paid)	0411
Line 10 (Total Interest Paid)	0410
Line 14 (Total Gifts to Charity)	0413
Line 15 (Casualty and Theft Losses) + Line 16 (Other Itemized Deductions)	0415A

Schedule D (Form 1040)	Form 1041 Fields
Line 7, Column (h) (Net Short-Term Capital Gain or Loss)	1017

Schedule D (Form 1040)	Form 1041 Fields
Line 15, Column (h) (Net Long-Term Capital Gain or Loss)	1018A
Line 16 (total of Line 7 and Line 18)	1019
Line 18 (28% Rate Gain or Loss)	1018C
Line 19 (Unrecaptured Section 1250 Gain)	1018B

Note: See IRM 3.12.14.13, Section 07 - Schedule H (Form 1040) for Schedule H, Household Employment Taxes field designators.

Note: See IRM 3.12.14.13, Section 07 - Schedule H (Form 1040) for Schedule H, Household Employment Taxes field designators.

6. Enter the tax data information from Form 1040-A.

Form 1040-A	Form 1041 Fields
Line 8a (Taxable Interest)	0401
Line 9a (Ordinary Dividends)	042A
Line 9b (Qualified Dividends)	042B2
Line 7 (Wages) + Line 10 (Capital Gain Distributions) + Line 11b (Taxable IRA Distributions) + Line 12b (Taxable Pensions and Annuities) + Line 13 (Unemployment) + Line 14b (Taxable Social Security Benefits)	0408
Line 39 (Total Tax)	0524
Line 40 (Federal Income Tax Withheld)	05G14
Line 41 (Estimated Tax Payments)	05G11
Line 47 (Overpayment)	05B/D
Line 48a (Refund)	0530B
Line 49 (Applied to Estimated Taxes)	0530A
Line 50 (Tax Due)	05B/D
Line 51 (Estimated Tax Penalty)	0527

7. Enter the tax data information from Form 1040-EZ.

Form 1040-EZ	Form 1041 Fields
Line 2 (Taxable Interest)	0401

Form 1040-EZ	Form 1041 Fields
Line 1 (Wages) + Line 3 (Unemployment)	0408
Line 7 (Federal Income Tax Withheld)	05G14
Line 12 (Total Tax)	0524
Line 13a (Refund)	0530B
Line 14 (Tax Due)	05B/D

Note: For prior year returns, match the 1040, 1040A, or 1040EZ line descriptions to the line descriptions on the Form 1041.

(4) Enter the EIN in Field 01EIN.

If...	Then...
An EIN is present on Form 1040, Form 1040-A or Form 1040-EZ	Enter the EIN in Field 01EIN
An EIN is not present	Research IDRS for the correct EIN. If found, enter it in Field 01EIN.
The correct EIN cannot be found through research.	SSPND 320. Route the converted Form 1041 to Entity Control and attach Form 4227 with "ASSIGN EIN" notated.

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 355

Exhibit 3.12.14-1 (01-01-2024)

Form 1041 (2023)

DRAFT		TPNC MFT 05 Program code 11900		01TXP	
Form 1041		Department of the Treasury—Internal Revenue Service U.S. Income Tax Return for Estates and Trusts Go to www.irs.gov/Form1041 for instructions and the latest information.		2023 OMB No. 1545-0092	
A Check all that apply: <input type="checkbox"/> Decedent's estate <input type="checkbox"/> Simple trust 01FID <input type="checkbox"/> Complex trust <input type="checkbox"/> Qualified disability trust <input type="checkbox"/> ESBT (S portion only) <input type="checkbox"/> Grantor type trust <input type="checkbox"/> Bankruptcy estate—Ch. 7 <input type="checkbox"/> Bankruptcy estate—Ch. 11 <input type="checkbox"/> Pooled income fund		For calendar year 2023 or fiscal year beginning , 2023, and ending , 20 Name of estate or trust (If a grantor type trust, see the instructions.) 01NC Name and title of fiduciary 02CON 02FAD 02ADD Number, street, and room or suite no. (If a P.O. box, see the instructions.) 02CTY 02ST 02ZIP City or town, state or province, country, and ZIP or foreign postal code		C Employer identification number 01EIN D Date entity created E Nonexempt charitable and split-interest trusts, check applicable box(es). See instructions. <input type="checkbox"/> Described in sec. 4947(a)(1). Check here if not a private foundation <input type="checkbox"/> Described in sec. 4947(a)(2)	
B Number of Schedules K-1 attached (see instructions)		F Check applicable boxes: <input type="checkbox"/> Initial return <input type="checkbox"/> Change in trust's name <input type="checkbox"/> Final return <input type="checkbox"/> Change in fiduciary <input type="checkbox"/> Amended return <input type="checkbox"/> Change in fiduciary's name <input type="checkbox"/> Net operating loss carryback <input type="checkbox"/> Change in fiduciary's address		G Check here if the estate or filing trust made a section 645 election <input type="checkbox"/> Trust TIN	
Income		1 Interest income 01CCC		1 0401	
2a Total ordinary dividends				2a 0402	
b Qualified dividends allocable to: (1) Beneficiaries (2) Estate or trust 042B2					
3 Business income or (loss). Attach Schedule C (Form 1040)				3 0403	
4 Capital gain or (loss). Attach Schedule D (Form 1041)				4 0404	
5 Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)				5 0405	
6 Farm income or (loss). Attach Schedule F (Form 1040)				6 0406	
7 Ordinary gain or (loss). Attach Form 4797				7 0407	
8 Other income. List type and amount 04BLA				8 0408	
9 Total income. Combine lines 1, 2a, and 3 through 8				9 0409 01RPC	
10 Interest. Check if Form 4952 is attached <input type="checkbox"/> 01RCD				10 0410	
11 Taxes				11 0411	
12 Fiduciary fees. If only a portion is deductible under section 67(e), see instructions				12 0412	
13 Charitable deduction (from Schedule A, line 7)				13 0413	
14 Attorney, accountant, and return preparer fees. If only a portion is deductible under section 67(e), see instructions				14 0414	
15a Other deductions (attach schedule). See instructions for deductions allowable under section 67(e)				15a 0415A	
b Net operating loss deduction. See instructions				15b 0415B	
16 Add lines 10 through 15b				16 0416	
17 Adjusted total income or (loss). Subtract line 16 from line 9		17 0417>			
18 Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)				18 0418	
19 Estate tax deduction including certain generation-skipping taxes (attach computation)				19 0419	
20 Qualified business income deduction. Attach Form 8995 or 8995-A				20 0420	
21 Exemption				21 0421	
22 Add lines 18 through 21				22 0422	
23 Taxable income. Subtract line 22 from line 17. If a loss, see instructions				23 0423	
24 Total tax (from Schedule G, Part I, line 9)		05MCT		24 0524	
25 Current year net 965 tax liability paid from Form 965-A, Part II, column (k) (see instructions)				25 0525	
26 Total payments (from Schedule G, Part II, line 19)		05TCV		26 0526	
27 Estimated tax penalty. See instructions				27 0527	
28 Tax due. If line 26 is smaller than the total of lines 24, 25, and 27, enter amount owed				28 05B/D+	
29 Overpayment. If line 26 is larger than the total of lines 24, 25, and 27, enter amount overpaid				29 05B/D-	
30 Amount of line 29 to be: a Credited to 2024 0530A ; b Refunded				30 0530B 01CBI	
Sign Here 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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		01FIN Signature of fiduciary or officer representing fiduciary Date EIN of fiduciary if a financial institution		May the IRS discuss this return with the preparer shown below? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Paid Preparer Use Only Print/Type preparer's name Preparer's signature Date Check <input type="checkbox"/> if self-employed PTIN 01PSN Firm's name Firm's EIN 01PEN Firm's address Phone no. 01PTN					
For Paperwork Reduction Act Notice, see the separate instructions.				Cat. No. 11370H Form 1041 (2023)	
01EWI					

Exhibit 3.12.14-1 (Cont. 1) (01-01-2024)
Form 1041 (2023)

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Form 1041 (2023)

Page **2****Schedule A Charitable Deduction.** Don't complete for a simple trust or a pooled income fund.

1	Amounts paid or permanently set aside for charitable purposes from gross income. See instructions	1	
2	Tax-exempt income allocable to charitable contributions. See instructions	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes. See instructions	6	
7	Charitable deduction. Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction

1	Adjusted total income. See instructions	1	
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 19, column (1). See instructions	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1. See instructions	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	Distributable net income. Combine lines 1 through 6. If zero or less, enter -0-	7	
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law	8	
9	Income required to be distributed currently	9	
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	
15	Income distribution deduction. Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	

Schedule G Tax Computation and Payments (see instructions)**Part I — Tax Computation**

1	Tax:				
a	Tax on taxable income. See instructions	1a	05G1A		
b	Tax on lump-sum distributions. Attach Form 4972	1b	05G1B		
c	Alternative minimum tax (from Schedule I (Form 1041), line 54)	1c	05G1C		
d	Total. Add lines 1a through 1c		05GVT	1d	05G1D
2a	Foreign tax credit. Attach Form 1116	2a	05G2A		
b	General business credit. Attach Form 3800	2b	05G2B		
c	Credit for prior year minimum tax. Attach Form 8801	2c	05G2C		
d	Bond credits. Attach Form 8912	2d	05G2D		
e	Total credits. Add lines 2a through 2d		05G2N	2e	05G2E>
3	Subtract line 2e from line 1d. If zero or less, enter -0-			3	
4	Tax on the ESBT portion of the trust (from ESBT Tax Worksheet, line 17). See instructions			4	05G04
5	Net investment income tax from Form 8960, line 21			5	05G05
6a	Recapture tax from Form 4255			6a	05G1C
b	Recapture tax from Form 8611			6b	05GLH
c	Other recapture taxes:			6c	05G06
7	Household employment taxes. Attach Schedule H (Form 1040)			7	05G07
8	Other taxes and amounts due			8	05G08
9	Total tax. Add lines 3 through 8. Enter here and on page 1, line 24			9	

Form **1041** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 357

Exhibit 3.12.14-1 (Cont. 2) (01-01-2024) Form 1041 (2023)

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Form 1041 (2023)

Page **3**

Schedule G Tax Computation and Payments (see instructions) (continued)

Part II — Payments

10	Current year's estimated tax payments and amount applied from preceding year's return	10	05G10
11	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	11	05G11
12	Subtract line 11 from line 10.	12	05G12>
13	Tax paid with Form 7004. See instructions	13	05G13
14	Federal income tax withheld. If any is from Form(s) 1099, check here <input type="checkbox"/>	14	05G14
15	Current year net 965 tax liability from Form 965-A, Part I, column (f) (see instructions)	15	0525F
16	Payments from Form 2439	16	0516A
17	Payments from Form 4136	17	15TG>
18a	Elective payment election amount from Form 3800	05EPV	18a 05EPE
b	Other credits or payments (see instructions)	18b	05OCP
19	Total payments. Add lines 12 through 18b. Enter here and on page 1, line 26	19	

Other Information

	Yes	No
1 Did the estate or trust receive tax-exempt income? If "Yes," attach a computation of the allocation of expenses. Enter the amount of tax-exempt interest income and exempt-interest dividends. \$		
2 Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		
3 At any time during calendar year 2023, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country		
4 During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the estate or trust may have to file Form 3520. See instructions		
5 Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If "Yes," see the instructions for the required attachment		
6 If this is an estate or a complex trust making the section 663(b) election, check here. See instructions <input type="checkbox"/>		
7 To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here. See instructions <input type="checkbox"/>		
8 If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here <input type="checkbox"/>		
9 Are any present or future trust beneficiaries skip persons? See instructions		
10 Was the trust a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938		
11a Did the estate or trust distribute S corporation stock for which it made a section 965(i) election?		
b If "Yes," did each beneficiary enter into an agreement to be liable for the net tax liability? See instructions		
12 Did the estate or trust either make a section 965(i) election or enter into a transfer agreement as an eligible 965(i) transferee for S corporation stock held on the last day of the tax year? See instructions		
13 At any time during the tax year, did the estate or trust (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? See instructions		05DAC
14 ESBTs only. Does the ESBT have a nonresident alien grantor? If "Yes," see instructions		
15 ESBTs only. Did the S portion of the trust claim a qualified business income deduction? If "Yes," see instructions		

Form **1041** (2023)

Exhibit 3.12.14-2 (01-01-2023)
Form 1041 (2022)

TPNC MFT 05 Program 11900		01TXP	
Department of the Treasury—Internal Revenue Service Form 1041 U.S. Income Tax Return for Estates and Trusts Go to www.irs.gov/Form1041 for instructions and the latest information.		2022 OMB No. 1545-0092	
A Check all that apply: <input type="checkbox"/> Decedent's estate <input checked="" type="checkbox"/> Simple trust 01FID <input type="checkbox"/> Complex trust <input type="checkbox"/> Qualified disability trust <input type="checkbox"/> ESBT (S portion only) <input type="checkbox"/> Grantor type trust <input type="checkbox"/> Bankruptcy estate—Ch. 7 <input type="checkbox"/> Bankruptcy estate—Ch. 11 <input type="checkbox"/> Pooled income fund 01TRC		For calendar year 2022 or fiscal year beginning _____, 2022, and ending _____, 20 Name of estate or trust (If a grantor type trust, see the instructions.) 01NC Name and title of fiduciary Number, street, and room or suite no. (If a P.O. box, see the instructions.) 02CON 02FAD 02ADD City or town, state or province, country, and ZIP or foreign postal code 02CTY 02ST 02ZIP	
B Number of Schedules K-1 attached (see instructions) F Check applicable boxes: <input type="checkbox"/> Initial return <input type="checkbox"/> Change in trust's name <input type="checkbox"/> Final return <input type="checkbox"/> Change in fiduciary <input type="checkbox"/> Amended return <input type="checkbox"/> Change in fiduciary's name <input type="checkbox"/> Net operating loss carryback <input type="checkbox"/> Change in fiduciary's address		C Employer identification number 01EIN D Date entity created E Nonexempt charitable and split-interest trusts, check applicable box(es). See instructions. <input type="checkbox"/> Described in sec. 4947(a)(1). Check here if not a private foundation <input type="checkbox"/> Described in sec. 4947(a)(2)	
G Check here if the estate or filing trust made a section 645 election <input type="checkbox"/> Trust TIN			
Income	1 Interest income 01CCC	1	0401
	2a Total ordinary dividends	2a	042A
	b Qualified dividends allocable to: (1) Beneficiaries (2) Estate or trust 042B2		
	3 Business income or (loss). Attach Schedule C (Form 1040)	3	0403
	4 Capital gain or (loss). Attach Schedule D (Form 1041)	4	0404
	5 Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	0405
	6 Farm income or (loss). Attach Schedule F (Form 1040)	6	0406
	7 Ordinary gain or (loss). Attach Form 4797	7	0407
	8 Other income. List type and amount 04BLA	8	0408
9 Total income. Combine lines 1, 2a, and 3 through 8	9	0409 01RPC	
Deduct	10 Interest. Check if Form 4952 is attached <input type="checkbox"/> 01RCD	10	0410
	11 Taxes	11	0411
	12 Fiduciary fees. If only a portion is deductible under section 67(e), see instructions	12	0412
	13 Charitable deduction (from Schedule A, line 7)	13	0413
	14 Attorney, accountant, and return preparer fees. If only a portion is deductible under section 67(e), see instructions	14	0414
	15a Other deductions (attach schedule). See instructions for deductions allowable under section 67(e)	15a	0415A
	b Net operating loss deduction. See instructions	15b	0415B
	16 Add lines 10 through 15b	16	0416
	17 Adjusted total income or (loss). Subtract line 16 from line 9	17	0417>
	18 Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	0418
Tax and Payments	19 Estate tax deduction including certain generation-skipping taxes (attach computation)	19	0419
	20 Qualified business income deduction. Attach Form 8995 or 8995-A	20	0420
	21 Exemption	21	0421
	22 Add lines 18 through 21	22	0422
	23 Taxable income. Subtract line 22 from line 17. If a loss, see instructions	23	0423
	24 Total tax (from Schedule G, Part I, line 9) 05MCT	24	0524
	25 Current year net 965 tax liability paid from Form 965-A, Part II, column (k) (see instructions)	25	0525
	26 Total payments (from Schedule G, Part II, line 19)	26	0526
	27 Estimated tax penalty. See instructions	27	0527
	28 Tax due. If line 26 is smaller than the total of lines 24, 25, and 27, enter amount owed	28	05B/D+
	29 Overpayment. If line 26 is larger than the total of lines 24, 25, and 27, enter amount overpaid	29	05B/D-
	30 Amount of line 29 to be: a Credited to 2023 0530A ; b Refunded	30	0530B 01CBI
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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
Sign Here Signature of fiduciary or officer representing fiduciary _____ Date _____ EIN of fiduciary if a financial institution 01FIN		May the IRS discuss this return with the preparer shown below? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Paid Preparer Use Only Print/Type preparer's name _____ Preparer's signature _____ Date _____ Firm's name _____ Firm's EIN 01PSN Firm's address _____ Phone no. 01PEN 01PTN			
For Paperwork Reduction Act Notice, see the separate instructions. 01EWI Cat. No. 11370H Form 1041 (2022)			

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 359

Exhibit 3.12.14-2 (Cont. 1) (01-01-2023) Form 1041 (2022)

Form 1041 (2022)		Page 2	
Schedule A Charitable Deduction. Don't complete for a simple trust or a pooled income fund.			
1	Amounts paid or permanently set aside for charitable purposes from gross income. See instructions	1	
2	Tax-exempt income allocable to charitable contributions. See instructions	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes. See instructions	6	
7	Charitable deduction. Subtract line 6 from line 5. Enter here and on page 1, line 13	7	
Schedule B Income Distribution Deduction			
1	Adjusted total income. See instructions	1	
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 19, column (1). See instructions	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1. See instructions	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	Distributable net income. Combine lines 1 through 6. If zero or less, enter -0-	7	
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law	8	
9	Income required to be distributed currently	9	
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	
15	Income distribution deduction. Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	
Schedule G Tax Computation and Payments (see instructions)			
Part I — Tax Computation			
1	Tax:		
a	Tax on taxable income. See instructions	1a	05G1A
b	Tax on lump-sum distributions. Attach Form 4972	1b	05G1B
c	Alternative minimum tax (from Schedule I (Form 1041), line 54)	1c	05G1C
d	Total. Add lines 1a through 1c	1d	05G1D
2a	Foreign tax credit. Attach Form 1116	2a	05G2A
b	General business credit. Attach Form 3800	2b	05G2B
c	Credit for prior year minimum tax. Attach Form 8801	2c	05G2C
d	Bond credits. Attach Form 8912	2d	05G2D
e	Total credits. Add lines 2a through 2d	2e	05G2E>
3	Subtract line 2e from line 1d. If zero or less, enter -0-	3	
4	Tax on the ESBT portion of the trust (from ESBT Tax Worksheet, line 17). See instructions	4	05G04
5	Net investment income tax from Form 8960, line 21	5	05G05
6	Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611	6	05G06
7	Household employment taxes. Attach Schedule H (Form 1040)	7	05G07
8	Other taxes and amounts due	8	05G08
9	Total tax. Add lines 3 through 8. Enter here and on page 1, line 24	9	
Part II — Payments			
10	2022 estimated tax payments and amount applied from 2021 return	10	05G10
11	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	11	05G11
12	Subtract line 11 from line 10	12	05G12>
13	Tax paid with Form 7004. See instructions	13	05G13
14	Federal income tax withheld. If any is from Form(s) 1099, check here <input type="checkbox"/>	14	05G14
15	Current year net 965 tax liability from Form 965-A, Part I, column (f) (see instructions)	15	05G15
16	Other payments: a Form 2439 0516A ; b Form 4136 15TG> ; Total	16c	
17	Credit for qualified sick and family leave wages for leave taken before April 1, 2021	17	05G17
18	Credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021	18	0518A
19	Total payments. Add lines 12 through 15 and 16c through 18. Enter here and on page 1, line 26	19	

Form **1041** (2022)

Exhibit 3.12.14-2 (Cont. 2) (01-01-2023)
Form 1041 (2022)

INFORMATION ONLY		Page 3	
Form 1041 (2022)			
Other Information		Yes	No
1	Did the estate or trust receive tax-exempt income? If "Yes," attach a computation of the allocation of expenses. Enter the amount of tax-exempt interest income and exempt-interest dividends. \$	<input type="checkbox"/>	<input type="checkbox"/>
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?	<input type="checkbox"/>	<input type="checkbox"/>
3	At any time during calendar year 2022, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country	<input type="checkbox"/>	<input type="checkbox"/>
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the estate or trust may have to file Form 3520. See instructions	<input type="checkbox"/>	<input type="checkbox"/>
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If "Yes," see the instructions for the required attachment	<input type="checkbox"/>	<input type="checkbox"/>
6	If this is an estate or a complex trust making the section 663(b) election, check here. See instructions <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here. See instructions <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Are any present or future trust beneficiaries skip persons? See instructions	<input type="checkbox"/>	<input type="checkbox"/>
10	Was the trust a specified domestic entity required to file Form 8938 for the tax year (see the Instructions for Form 8938)?	<input type="checkbox"/>	<input type="checkbox"/>
11a	Did the estate or trust distribute S corporation stock for which it made a section 965(i) election?	<input type="checkbox"/>	<input type="checkbox"/>
b	If "Yes," did each beneficiary enter into an agreement to be liable for the net tax liability? See instructions	<input type="checkbox"/>	<input type="checkbox"/>
12	Did the estate or trust either make a section 965(i) election or enter into a transfer agreement as an eligible 965(i) transferee for S corporation stock held on the last day of the tax year? See instructions	<input type="checkbox"/>	<input type="checkbox"/>
13	ESBTs only. Does the ESBT have a nonresident alien grantor? If "Yes," see instructions	<input type="checkbox"/>	<input type="checkbox"/>
14	ESBTs only. Did the S portion of the trust claim a qualified business income deduction? If "Yes," see instructions	<input type="checkbox"/>	<input type="checkbox"/>

Form **1041** (2022)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 361

Exhibit 3.12.14-3 (01-01-2022)

Form 1041 (2020)

TPNC MFT 05 Program code 11900		01TXP	
Form 1041		2020	
Department of the Treasury—Internal Revenue Service U.S. Income Tax Return for Estates and Trusts <small>Go to www.irs.gov/Form1041 for instructions and the latest information.</small>			
A Check all that apply:		For calendar year 2020 or fiscal year beginning , 2020, and ending , 20	
<input type="checkbox"/> Decedent's estate <input type="checkbox"/> Simple trust 01FID <input type="checkbox"/> Complex trust <input type="checkbox"/> Qualified disability trust <input type="checkbox"/> ESBT (S portion only) <input type="checkbox"/> Grantor type trust <input type="checkbox"/> Bankruptcy estate—Ch. 7 <input type="checkbox"/> Bankruptcy estate—Ch. 11 <input type="checkbox"/> Pooled income fund 01TRC		C Employer identification number 01EIN	
Name of estate or trust (if a grantor type trust, see the instructions.) 01NC		D Date entity created	
Name and title of fiduciary		E Nonexempt charitable and split-interest trusts, check applicable box(es). See instructions. <input type="checkbox"/> Described in sec. 4947(a)(1). Check here if not a private foundation . . . <input type="checkbox"/> <input type="checkbox"/> Described in sec. 4947(a)(2)	
Number, street, and room or suite no. (if a P.O. box, see the instructions.) 02CON 02FAD 02ADD		City or town, state or province, country, and ZIP or foreign postal code 02CTY 02ST 02ZIP	
B Number of Schedules K-1 attached (see instructions)		F Check applicable boxes:	
		<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Net operating loss carryback <input type="checkbox"/> Change in trust's name <input type="checkbox"/> Change in fiduciary <input type="checkbox"/> Change in fiduciary's name <input type="checkbox"/> Change in fiduciary's address	
G Check here if the estate or filing trust made a section 645 election <input type="checkbox"/> Trust TIN <input type="checkbox"/>			
Income	1 Interest income 01CCC		1 0401
	2a Total ordinary dividends		2a 042A
	b Qualified dividends allocable to: (1) Beneficiaries (2) Estate or trust 042B2		
	3 Business income or (loss). Attach Schedule C (Form 1040)		3 0403
	4 Capital gain or (loss). Attach Schedule D (Form 1041)		4 0404
	5 Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)		5 0405
	6 Farm income or (loss). Attach Schedule F (Form 1040)		6 0406
	7 Ordinary gain or (loss). Attach Form 4797		7 0407
	8 Other income. List type and amount 04BLA		8 0408
	9 Total income. Combine lines 1, 2a, and 3 through 8		9 0409 01RPC
Deductions	10 Interest. Check if Form 4952 is attached <input type="checkbox"/>		10 0410
	11 Taxes 01RCD		11 0411
	12 Fiduciary fees. If only a portion is deductible under section 67(e), see instructions		12 0412
	13 Charitable deduction (from Schedule A, line 7)		13 0413
	14 Attorney, accountant, and return preparer fees. If only a portion is deductible under section 67(e), see instructions		14 0414
	15a Other deductions (attach schedule). See instructions for deductions allowable under section 67(e)		15a 0415A
	b Net operating loss deduction. See instructions		15b 0415B
	16 Add lines 10 through 15b		16 0416
	17 Adjusted total income or (loss). Subtract line 16 from line 9		17 0417>
	18 Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)		18 0418
Tax and Payments	19 Estate tax deduction including certain generation-skipping taxes (attach computation)		19 0419
	20 Qualified business income deduction. Attach Form 8995 or 8995-A		20 0420
	21 Exemption		21 0421
	22 Add lines 18 through 21		22 0422
	23 Taxable income. Subtract line 22 from line 17. If a loss, see instructions		23 0423
	24 Total tax (from Schedule G, Part I, line 9) 05MCT		24 0524
	25 2020 net 965 tax liability paid from Form 965-A, Part II, column (k), line 4		25 0525
	26 Total payments (from Schedule G, Part II, line 19)		26 0526
	27 Estimated tax penalty. See instructions		27 0527
	28 Tax due. If line 26 is smaller than the total of lines 24, 25, and 27, enter amount owed		28 05B/D+
29 Overpayment. If line 26 is larger than the total of lines 24, 25, and 27, enter amount overpaid		29 05B/D-	
30 Amount of line 29 to be: a Credited to 2021 0530A ; b Refunded		30 0530B	
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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
Sign Here		01FIN	
Signature of fiduciary or officer representing fiduciary Date EIN of fiduciary if a financial institution		May the IRS discuss this return with the preparer shown below? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Paid Preparer Use Only		PTIN	
Print/Type preparer's name Preparer's signature Date Check <input type="checkbox"/> if self-employed		01PSN	
Firm's name Firm's EIN		01PEN	
Firm's address Phone no.		01PTN	
For Paperwork Reduction Act Notice, see the separate instructions.			
01EWI			

Exhibit 3.12.14-3 (Cont. 1) (01-01-2022)
Form 1041 (2020)

Form 1041 (2020)		Page 2
Schedule A Charitable Deduction. Don't complete for a simple trust or a pooled income fund.		
1	Amounts paid or permanently set aside for charitable purposes from gross income. See instructions	1
2	Tax-exempt income allocable to charitable contributions. See instructions	2
3	Subtract line 2 from line 1	3
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4
5	Add lines 3 and 4	5
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes. See instructions	6
7	Charitable deduction. Subtract line 6 from line 5. Enter here and on page 1, line 13	7
Schedule B Income Distribution Deduction		
1	Adjusted total income. See instructions	1
2	Adjusted tax-exempt interest	2
3	Total net gain from Schedule D (Form 1041), line 19, column (1). See instructions	3
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4
5	Capital gains for the tax year included on Schedule A, line 1. See instructions	5
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6
7	Distributable net income. Combine lines 1 through 6. If zero or less, enter -0-	7
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law	8
9	Income required to be distributed currently	9
10	Other amounts paid, credited, or otherwise required to be distributed	10
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11
12	Enter the amount of tax-exempt income included on line 11	12
13	Tentative income distribution deduction. Subtract line 12 from line 11	13
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14
15	Income distribution deduction. Enter the smaller of line 13 or line 14 here and on page 1, line 18	15
Schedule G Tax Computation and Payments (see instructions)		
Part I — Tax Computation		
1	Tax:	
a	Tax on taxable income. See instructions	1a 05G1A
b	Tax on lump-sum distributions. Attach Form 4972	1b 05G1B
c	Alternative minimum tax (from Schedule I (Form 1041), line 54)	1c 05G1C
d	Total. Add lines 1a through 1c	1d 05G1D
2a	Foreign tax credit. Attach Form 1116	2a 05G2A
b	General business credit. Attach Form 3800	2b 05G2B
c	Credit for prior year minimum tax. Attach Form 8801	2c 05G2C
d	Bond credits. Attach Form 8912	2d 05G2D
e	Total credits. Add lines 2a through 2d	2e 05G2E>
3	Subtract line 2e from line 1d. If zero or less, enter -0-	3
4	Tax on the ESBT portion of the trust (from ESBT Tax Worksheet, line 17). See instructions	4 05G04
5	Net investment income tax from Form 8960, line 21	5 05G05
6	Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611	6 05G06
7	Household employment taxes. Attach Schedule H (Form 1040)	7 05G07
8	Other taxes and amounts due	8 05G08
9	Total tax. Add lines 3 through 8. Enter here and on page 1, line 24	9
Part II — Payments		
10	2020 estimated tax payments and amount applied from 2019 return	10 05G10
11	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	11 05G11
12	Subtract line 11 from line 10	12 05G12>
13	Tax paid with Form 7004. See instructions	13 05G13
14	Federal income tax withheld. If any is from Form(s) 1099, check here <input type="checkbox"/>	14 05G14
15	2020 net 965 tax liability from Form 965-A, Part I, column (f), line 4	15 05G15
16	Other payments: a Form 2439 0516A ; b Form 4136 15TG> ; Total	16c
17	Refundable credit for qualified sick and family leave. Attach Schedule H (Form 1040)	17 05G17
18	Deferral. If filing Schedule H (Form 1040), see instructions for amount to enter	18 0518B
19	Total payments. Add lines 12 through 15 and 16c through 18. Enter here and on page 1, line 26	19

Form **1041** (2020)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 363

Exhibit 3.12.14-3 (Cont. 2) (01-01-2022)

Form 1041 (2020)

Form 1041 (2020)		Page 3	
Other Information		Yes	No
1	Did the estate or trust receive tax-exempt income? If "Yes," attach a computation of the allocation of expenses. Enter the amount of tax-exempt interest income and exempt-interest dividends ▶ \$		
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		
3	At any time during calendar year 2020, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶		
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the estate or trust may have to file Form 3520. See instructions		
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If "Yes," see the instructions for the required attachment		
6	If this is an estate or a complex trust making the section 663(b) election, check here. See instructions ▶ <input type="checkbox"/>		
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here. See instructions ▶ <input type="checkbox"/>		
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ▶ <input type="checkbox"/>		
9	Are any present or future trust beneficiaries skip persons? See instructions		
10	Was the trust a specified domestic entity required to file Form 8938 for the tax year (see the Instructions for Form 8938)?		
11a	Did the estate or trust distribute S corporation stock for which it made a section 965(i) election?		
b	If "Yes," did each beneficiary enter into an agreement to be liable for the net tax liability? See instructions		
12	Did the estate or trust make a section 965(i) election for S corporation stock held on the last day of the tax year? See instructions		
13	ESBTs only. Does the ESBT have a nonresident alien grantor? If "Yes," see instructions		
14	ESBTs only. Did the S portion of the trust claim a qualified business income deduction? If "Yes," see instructions		

Form **1041** (2020)

Exhibit 3.12.14-4 (01-01-2024)
Schedule I

DRAFT**SCHEDULE I
(Form 1041)**Department of the Treasury
Internal Revenue Service**Alternative Minimum Tax—Estates and Trusts**

Attach to Form 1041.

Go to www.irs.gov/Form1041 for instructions and the latest information.

OMB No. 1545-0092

2023

Name of estate or trust

Employer identification number

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

1	Adjusted total income or (loss) (from Form 1041, line 17). ESBTs , see instructions	1	
2	Interest	2	
3	Taxes	3	
4	Refund of taxes	4	()
5	Depletion (difference between regular tax and AMT)	5	
6	Net operating loss deduction. Enter as a positive amount	6	
7	Interest from specified private activity bonds exempt from the regular tax	7	
8	Qualified small business stock (see instructions)	8	
9	Exercise of incentive stock options (excess of AMT income over regular tax income)	9	
10	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	10	
11	Disposition of property (difference between AMT and regular tax gain or loss)	11	
12	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	12	
13	Passive activities (difference between AMT and regular tax income or loss)	13	
14	Loss limitations (difference between AMT and regular tax income or loss)	14	
15	Circulation costs (difference between regular tax and AMT)	15	
16	Long-term contracts (difference between AMT and regular tax income)	16	
17	Mining costs (difference between regular tax and AMT)	17	
18	Research and experimental costs (difference between regular tax and AMT)	18	
19	Income from certain installment sales before January 1, 1987	19	()
20	Intangible drilling costs preference	20	
21	Other adjustments, including income-based related adjustments	21	
22	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)	22	(06122)
23	Adjusted alternative minimum taxable income. Combine lines 1 through 22	23	06123
Complete Part II below before going to line 24.			
24	Income distribution deduction from Part II, line 42	24	06124
25	Estate tax deduction (from Form 1041, line 19)	25	
26	Add lines 24 and 25	26	
27	Estate's or trust's share of alternative minimum taxable income. Subtract line 26 from line 23	27	

If line 27 is:

- \$28,400 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust isn't liable for the alternative minimum tax.
- Over \$28,400, but less than \$208,200, go to line 43.
- \$208,200 or more, enter the amount from line 27 on line 49 and go to line 50.
- **ESBTs**, see instructions.

Part II Income Distribution Deduction on a Minimum Tax Basis

28	Adjusted alternative minimum taxable income (see instructions)	28	
29	Adjusted tax-exempt interest (other than amounts included on line 7)	29	
30	Total net gain from Schedule D (Form 1041), line 19, column (1). If a loss, enter -0-	30	
31	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)	31	
32	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)	32	
33	Capital gains computed on a minimum tax basis included on line 23	33	()
34	Capital losses computed on a minimum tax basis included on line 23. Enter as a positive amount	34	
35	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 28 through 34. If zero or less, enter -0-	35	
36	Income required to be distributed currently (from Form 1041, Schedule B, line 9)	36	
37	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)	37	
38	Total distributions. Add lines 36 and 37	38	
39	Tax-exempt income included on line 38 (other than amounts included on line 7)	39	
40	Tentative income distribution deduction on a minimum tax basis. Subtract line 39 from line 38	40	

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Cat. No. 51517Q

Schedule I (Form 1041) 2023

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 365

Exhibit 3.12.14-4 (Cont. 1) (01-01-2024) Schedule I

DRAFT

Schedule I (Form 1041) 2023

Page **2**

Part II Income Distribution Deduction on a Minimum Tax Basis *(continued)*

41	Tentative income distribution deduction on a minimum tax basis. Subtract line 29 from line 35. If zero or less, enter -0-	41	
42	Income distribution deduction on a minimum tax basis. Enter the smaller of line 40 or line 41. Enter here and on line 24	42	

Part III Alternative Minimum Tax

43	Exemption amount	43	\$28,400
44	Enter the amount from line 27	44	
45	Phase-out of exemption amount	45	\$94,600
46	Subtract line 45 from line 44. If zero or less, enter -0-	46	
47	Multiply line 46 by 25% (0.25)	47	
48	Subtract line 47 from line 43. If zero or less, enter -0-	48	
49	Subtract line 48 from line 44	49	
50	Go to Part IV of Schedule I to figure line 50 if the estate or trust has qualified dividends or has a gain on lines 18a and 19 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 49 is: • \$220,700 or less, multiply line 49 by 26% (0.26). • Over \$220,700, multiply line 49 by 28% (0.28) and subtract \$4,414 from the result	50	
51	Alternative minimum foreign tax credit (see instructions)	51	06I51
52	Tentative minimum tax. Subtract line 51 from line 50	52	06I52>
53	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)	53	
54	Alternative minimum tax. Subtract line 53 from line 52. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c	54	06IAV

Part IV Line 50 Computation Using Maximum Capital Gains Rates

Caution: If you didn't complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, see the instructions before completing this part.

55	Enter the amount from line 49	55	
56	Enter the amount from line 26 of Schedule D (Form 1041), line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as refigured for the AMT, if necessary)	56	06I56>
57	Enter the amount from Schedule D (Form 1041), line 18b, column (2) (as refigured for the AMT, if necessary). If you didn't complete Schedule D for the regular tax or the AMT, enter -0-	57	
58	If you didn't complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 56. Otherwise, add lines 56 and 57 and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	58	
59	Enter the smaller of line 55 or line 58	59	
60	Subtract line 59 from line 55	60	
61	If line 60 is \$220,700 or less, multiply line 60 by 26% (0.26). Otherwise, multiply line 60 by 28% (0.28) and subtract \$4,414 from the result	61	06I61>
62	Maximum amount subject to the 0% rate	62	\$3,000
63	Enter the amount from line 27 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 23; if zero or less, enter -0-	63	
64	Subtract line 63 from line 62. If zero or less, enter -0-	64	
65	Enter the smaller of line 55 or line 56	65	06I65>
66	Enter the smaller of line 64 or line 65. This amount is taxed at 0%	66	
67	Subtract line 66 from line 65	67	

Schedule I (Form 1041) 2023

Exhibit 3.12.14-4 (Cont. 2) (01-01-2024)
Schedule I

DRAFT		Schedule I (Form 1041) 2023		Page 3	
Part IV Line 50 Computation Using Maximum Capital Gains Rates <i>(continued)</i>					
68	Maximum amount subject to rates below 20%	68	\$ 14,650		
69	Enter the amount from line 64	69			
70	Enter the amount from line 27 of Schedule D (Form 1041), line 18 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, whichever applies (as figured for the regular tax). If you didn't complete Schedule D or either worksheet for the regular tax, enter the amount from Form 1041, line 23; if zero or less, enter -0-	70			
71	Add line 69 and line 70	71			
72	Subtract line 71 from line 68. If zero or less, enter -0-	72			
73	Enter the smaller of line 67 or line 72	73			
74	Multiply line 73 by 15% (0.15)	74	06174>		
75	Add lines 66 and 73	75			
If lines 75 and 55 are the same, skip lines 76 through 80 and go to line 81. Otherwise, go to line 76.					
76	Subtract line 75 from line 65	76			
77	Multiply line 76 by 20% (0.20)	77			
If line 57 is zero or blank, skip lines 78 through 80 and go to line 81. Otherwise, go to line 78.					
78	Add lines 60, 75, and 76	78			
79	Subtract line 78 from line 55	79	06179>		
80	Multiply line 79 by 25% (0.25)	80	06180>		
81	Add lines 61, 74, 77, and 80	81	06181>		
82	If line 55 is \$220,700 or less, multiply line 55 by 26% (0.26). Otherwise, multiply line 55 by 28% (0.28) and subtract \$4,414 from the result	82			
83	Enter the smaller of line 81 or line 82 here and on line 50	83			

Schedule I (Form 1041) 2023

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 367

Exhibit 3.12.14-5 (01-01-2021)
Form 4952

DRAFT

Form **4952**
Department of the Treasury
Internal Revenue Service
Name(s) shown on return

Investment Interest Expense Deduction

Attach to your tax return.
Go to www.irs.gov/Form4952 for the latest information.

OMB No. 1545-0191
2023
Attachment
Sequence No. **51**

Identifying number

Part I Total Investment Interest Expense

1	Investment interest expense paid or accrued in 2023 (see instructions)	1
2	Disallowed investment interest expense from 2022 Form 4952, line 7	2
3	Total investment interest expense. Add lines 1 and 2	3

Part II Net Investment Income

4a	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment)	4a	
4b	Qualified dividends included on line 4a	4b	
4c	Subtract line 4b from line 4a	4c	
4d	Net gain from the disposition of property held for investment	4d	
4e	Enter the smaller of line 4d or your net capital gain from the disposition of property held for investment. See instructions	4e	06D4E
4f	Subtract line 4e from line 4d	4f	
4g	Enter the amount from lines 4b and 4e that you elect to include in investment income. See instructions	4g	06D4G
4h	Investment income. Add lines 4c, 4f, and 4g	4h	
5	Investment expenses (see instructions)	5	
6	Net investment income. Subtract line 5 from line 4h. If zero or less, enter -0-	6	

Part III Investment Interest Expense Deduction

7	Disallowed investment interest expense to be carried forward to 2024. Subtract line 6 from line 3. If zero or less, enter -0-	7
8	Investment interest expense deduction. Enter the smaller of line 3 or line 6. See instructions	8

For Paperwork Reduction Act Notice, see page 4.

Cat. No. 13177Y

Form **4952** (2023)

Exhibit 3.12.14-6 (01-01-2023)
Schedule H (2023)

DRAFT		SCHEDULE H (Form 1040) <small>Department of the Treasury Internal Revenue Service</small>		Household Employment Taxes <small>(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)</small> Attach to Form 1040, 1040-SR, 1040-NR, 1040-SS, or 1041. Go to www.irs.gov/ScheduleH for instructions and the latest information.		<small>OMB No. 1545-0074</small> <div style="font-size: 2em; font-weight: bold; margin: 5px 0;">2023</div> <small>Attachment Sequence No. 44</small>	
Name of employer				Social security number			
Employer identification number				Social security number			

Calendar year taxpayers having no household employees in 2023 don't have to complete this form for 2023.

A Did you pay **any one** household employee cash wages of \$2,600 or more in 2023? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions before you answer this question.)
☐ **Yes.** Skip lines B and C and go to line 1a.
☐ **No.** Go to line B.

B Did you withhold federal income tax during 2023 for any household employee?
☐ **Yes.** Skip line C and go to line 7.
☐ **No.** Go to line C.

C Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2022 or 2023 to **all** household employees? (**Don't** count cash wages paid in 2022 or 2023 to your spouse, your child under age 21, or your parent.)
☐ **No. Stop.** Don't file this schedule.
☐ **Yes.** Skip lines 1a–9 and go to line 10.

Part I Social Security, Medicare, and Federal Income Taxes			
1a	Total cash wages subject to social security tax	1a	0701A
b	Qualified sick and family leave wages paid in 2023 for leave taken after March 31, 2020, and before April 1, 2021, included on line 1a	1b	0701B
2a	Social security tax. Multiply line 1a by 12.4% (0.124)	2a	0702A>
b	Employer share of social security tax on qualified sick and family leave wages paid in 2023 for leave taken after March 31, 2020, and before April 1, 2021. Multiply line 1b by 6.2% (0.062)	2b	0702B>
c	Total social security tax. Subtract line 2b from line 2a	2c	0702C>
3	Total cash wages subject to Medicare tax	3	0703
4	Medicare tax. Multiply line 3 by 2.9% (0.029)	4	0704>
5	Total cash wages subject to Additional Medicare Tax withholding	5	0705
6	Additional Medicare Tax withholding. Multiply line 5 by 0.9% (0.009)	6	0706
7	Federal income tax withheld, if any	7	0707
8a	Total social security, Medicare, and federal income taxes. Add lines 2c, 4, 6, and 7.	8a	0708A
b	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021	8b	0708B
c	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021	8c	0708C
d	Total social security, Medicare, and federal income taxes after nonrefundable credits. Add lines 8b and 8c and then subtract that total from line 8a	8d	0708D
e	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021	8e	0708E
f	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021	8f	0708F
g	Qualified sick leave wages for leave taken before April 1, 2021	8g	
h	Qualified health plan expenses allocable to qualified sick leave wages reported on line 8g	8h	
i	Qualified family leave wages for leave taken before April 1, 2021	8i	
j	Qualified health plan expenses allocable to qualified family leave wages reported on line 8i	8j	
k	Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021	8k	
l	Qualified health plan expenses allocable to qualified sick leave wages reported on line 8k	8l	
m	Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021	8m	
n	Qualified health plan expenses allocable to qualified family leave wages reported on line 8m	8n	
9	Did you pay total cash wages of \$1,000 or more in any calendar quarter of 2022 or 2023 to all household employees? (Don't count cash wages paid in 2022 or 2023 to your spouse, your child under age 21, or your parent.) <input type="checkbox"/> No. Stop. Include the amount from line 8d above on Schedule 2 (Form 1040), line 9. Include the amounts, if any, from lines 8e and 8f on Schedule 3 (Form 1040), line 13z. If you're not required to file Form 1040, see the line 9 instructions. <input type="checkbox"/> Yes. Go to line 10.		

For Privacy Act and Paperwork Reduction Act Notice, see the instructions. Cat. No. 12187K Schedule H (Form 1040) 2023

Income Tax Returns for Estates and Trusts (Forms 1041,
1041-QFT, and 1041-N) 3.12.14

page 369

Exhibit 3.12.14-6 (Cont. 1) (01-01-2023)
Schedule H (2023)

DRAFT

Schedule H (Form 1040) 2023

Page **2****Part II Federal Unemployment (FUTA) Tax**

	Yes	No
10 Did you pay unemployment contributions to only one state? If you paid contributions to a credit reduction state, see instructions and check "No"	10	
11 Did you pay all state unemployment contributions for 2023 by April 15, 2024? Fiscal year filers, see instructions	11	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	12	

Next: If you checked the "Yes" box on **all** the lines above, complete Section A.If you checked the "No" box on **any** of the lines above, skip Section A and complete Section B.**07FIN****Section A**

13 Name of the state where you paid unemployment contributions	07SC1	07CC1	
14 Contributions paid to your state unemployment fund	14	07FCP	
15 Total cash wages subject to FUTA tax	15	07TFW	
16 FUTA tax. Multiply line 15 by 0.6% (0.006). Enter the result here, skip Section B, and go to line 25	16	07FTX	07FTV

Section B**17** Complete all columns below that apply (if you need more space, see instructions):

(a) Name of state	(b) Taxable wages (as defined in state act)	(c) State experience rate period		(d) State experience rate	(e) Multiply col. (b) by 0.054	(f) Multiply col. (b) by col. (d)	(g) Subtract col. (f) from col. (e). If zero or less, enter -0-.	(h) Contributions paid to state unemployment fund
		From	To					

18 Totals	18	
19 Add columns (g) and (h) of line 18	19	
20 Total cash wages subject to FUTA tax (see the line 15 instructions)	20	
21 Multiply line 20 by 6.0% (0.06)	21	
22 Multiply line 20 by 5.4% (0.054)	22	
23 Enter the smaller of line 19 or line 22. (If you paid state unemployment contributions late or you're in a credit reduction state, see instructions and check here) <input type="checkbox"/>	23	
24 FUTA tax. Subtract line 23 from line 21. Enter the result here and go to line 25	24	

Part III Total Household Employment Taxes

25 Enter the amount from line 8d. If you checked the "Yes" box on line C of page 1, enter -0-	25	
26 Add line 16 (or line 24) and line 25	26	07HTX>
27 Are you required to file Form 1040?		

07CA> ☐ **Yes. Stop.** Include the amount from line 26 above on Schedule 2 (Form 1040), line 9. Include the amounts, if any, from lines 8e and 8f on Schedule 3 (Form 1040), line 13z. **Don't** complete Part IV below.
☐ **No.** You may have to complete Part IV. See instructions for details.**Part IV Address and Signature — Complete this part only if required. See the line 27 instructions.**

Address (number and street) or P.O. box if mail isn't delivered to street address	Apt., room, or suite no.
City, town or post office, state, and ZIP code	

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

Employer's signature	Date
Paid Preparer Use Only	
Print/Type preparer's name	Preparer's signature
Firm's name	Firm's EIN
Firm's address	Phone no.

Schedule H (Form 1040) 2023

Exhibit 3.12.14-6 (Cont. 2) (01-01-2023)
Schedule H (2023)**DRAFT**

Schedule H (Form 1040) 2023

Page **2****Part II Federal Unemployment (FUTA) Tax**

	Yes	No
10 Did you pay unemployment contributions to only one state? If you paid contributions to a credit reduction state, see instructions and check "No"	10	
11 Did you pay all state unemployment contributions for 2023 by April 15, 2024? Fiscal year filers, see instructions	11	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	12	

Next: If you checked the "Yes" box on **all** the lines above, complete Section A.If you checked the "No" box on **any** of the lines above, skip Section A and complete Section B.**07FIN****Section A**

13 Name of the state where you paid unemployment contributions	
14 Contributions paid to your state unemployment fund	14
15 Total cash wages subject to FUTA tax	15
16 FUTA tax. Multiply line 15 by 0.6% (0.006). Enter the result here, skip Section B, and go to line 25	16

Section B**17** Complete all columns below that apply (if you need more space, see instructions):

(a) Name of state	(b) Taxable wages (as defined in state act)	(c) State experience rate period		(d) State experience rate	(e) Multiply col. (b) by 0.054	(f) Multiply col. (b) by col. (d)	(g) Subtract col. (f) from col. (e). If zero or less, enter -0-.	(h) Contributions paid to state unemployment fund
		From	To					
07SC1								
07CC1	07CW1							
07SC2								
07CC2	07CW2							

**07SC3-5, ERS Input Only. 07CC3-5, and 07CW3-5
should be found on an attachment, if present.**

18 Totals	07ASI ERS Input Only	18	07FCP
19 Add columns (g) and (h) of line 18	19	07TTC	
20 Total cash wages subject to FUTA tax (see the line 15 instructions)	20	07TFW	
21 Multiply line 20 by 6.0% (0.06)	21	07BAS>	
22 Multiply line 20 by 5.4% (0.054)	22	07MAX>	
23 Enter the smaller of line 19 or line 22. (If you paid state unemployment contributions late or you're in a credit reduction state, see instructions and check here) <input type="checkbox"/>	23	07SML>	
24 FUTA tax. Subtract line 23 from line 21. Enter the result here and go to line 25	07CWC>	24	07FTX 07FTV

Part III Total Household Employment Taxes

25 Enter the amount from line 8d. If you checked the "Yes" box on line C of page 1, enter -0-	25	07TCR>
26 Add line 16 (or line 24) and line 25	26	07HTX>
27 Are you required to file Form 1040? <input type="checkbox"/> Yes. Stop. Include the amount from line 26 above on Schedule 2 (Form 1040), line 9. Include the amounts, if any, from lines 8e and 8f on Schedule 3 (Form 1040), line 13z. Don't complete Part IV below. <input type="checkbox"/> No. You may have to complete Part IV. See instructions for details.		

Part IV Address and Signature — Complete this part only if required. See the line 27 instructions.

Address (number and street) or P.O. box if mail isn't delivered to street address		Apt., room, or suite no.
City, town or post office, state, and ZIP code		

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

Employer's signature		Date	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	Firm's name	Firm's EIN	Check <input type="checkbox"/> if self-employed
	Firm's address	Phone no.	PTIN

Schedule H (Form 1040) 2023

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 371

Exhibit 3.12.14-7 (01-01-2023) Schedule H (2020)

SCHEDULE H (Form 1040)	Household Employment Taxes (For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes) ▶ Attach to Form 1040, 1040-SR, 1040-NR, 1040-SS, or 1041. ▶ Go to www.irs.gov/ScheduleH for instructions and the latest information.	OMB No. 1545-0074 <div style="font-size: 2em; font-weight: bold;">2020</div> Attachment Sequence No. 44
Department of the Treasury Internal Revenue Service (99)		
Name of employer		Social security number
		Employer identification number
Calendar year taxpayers having no household employees in 2020 don't have to complete this form for 2020.		
A Did you pay any one household employee cash wages of \$2,200 or more in 2020? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions before you answer this question.) <input type="checkbox"/> Yes. Skip lines B and C and go to line 1a. <input type="checkbox"/> No. Go to line B.		
B Did you withhold federal income tax during 2020 for any household employee? <input type="checkbox"/> Yes. Skip line C and go to line 7. <input type="checkbox"/> No. Go to line C.		
C Did you pay total cash wages of \$1,000 or more in any calendar quarter of 2019 or 2020 to all household employees? (Don't count cash wages paid in 2019 or 2020 to your spouse, your child under age 21, or your parent.) <input type="checkbox"/> No. Stop. Don't file this schedule. <input type="checkbox"/> Yes. Skip lines 1a-9 and go to line 10.		
Part I Social Security, Medicare, and Federal Income Taxes		
1a Total cash wages subject to social security tax	1a	0701A
1b Qualified sick and family wages included on line 1a	1b	0701B
2a Social security tax. Multiply line 1a by 12.4% (0.124)	2a	0702>
b Employer share of social security tax on qualified sick and family leave wages. Multiply line 1b by 6.2% (0.062)	2b	0702B>
c Total social security tax. Subtract line 2b from line 2a	2c	0702C>
3 Total cash wages subject to Medicare tax	3	0703
4 Medicare tax. Multiply line 3 by 2.9% (0.029)	4	0704>
5 Total cash wages subject to Additional Medicare Tax withholding	5	0705
6 Additional Medicare Tax withholding. Multiply line 5 by 0.9% (0.009)	6	0706
7 Federal income tax withheld, if any	7	0707
8a Total social security, Medicare, and federal income taxes. Add lines 2c, 4, 6, and 7.	8a	0708A
b Nonrefundable portion of credit for qualified sick and family leave wages from Worksheet 3	8b	0708B
c Total social security, Medicare, and federal income taxes after nonrefundable credit. Subtract line 8b from line 8a	8c	0708D> 0708V
d Maximum amount of the employer share of social security tax that can be deferred (see instructions).	8d	07DEF 07DEF>
e Refundable portion of credit for qualified sick and family leave wages from Worksheet 3	8e	0708E
f Qualified sick leave wages	8f	
g Qualified health plan expenses allocable to qualified sick leave wages	8g	
h Qualified family leave wages	8h	
i Qualified health plan expenses allocable to qualified family leave wages	8i	
9 Did you pay total cash wages of \$1,000 or more in any calendar quarter of 2019 or 2020 to all household employees? (Don't count cash wages paid in 2019 or 2020 to your spouse, your child under age 21, or your parent.) <input type="checkbox"/> No. Stop. Include the amount from line 8c above on Schedule 2 (Form 1040), line 7a. Include the amount, if any, from line 8e on Schedule 3 (Form 1040), line 12b. If you're not required to file Form 1040, see the line 9 instructions. <input type="checkbox"/> Yes. Go to line 10.		
For Privacy Act and Paperwork Reduction Act Notice, see the instructions.		
Cat. No. 12187K Schedule H (Form 1040) 2020		

Exhibit 3.12.14-7 (Cont. 1) (01-01-2023)
Schedule H (2020)

Schedule H (Form 1040) 2020										Page 2		
Part II Federal Unemployment (FUTA) Tax												
										Yes	No	
10	Did you pay unemployment contributions to only one state? If you paid contributions to a credit reduction state, see instructions and check "No"										10	
11	Did you pay all state unemployment contributions for 2020 by April 15, 2021? Fiscal year filers, see instructions										11	
12	Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?										12	
											07FIN	
Next: If you checked the "Yes" box on all the lines above, complete Section A. If you checked the "No" box on any of the lines above, skip Section A and complete Section B.												
Section A												
13	Name of the state where you paid unemployment contributions ► 07SC1											
14	Contributions paid to your state unemployment fund										14	07FCP
15	Total cash wages subject to FUTA tax										15	07TFW
16	FUTA tax. Multiply line 15 by 0.6% (0.006). Enter the result here, skip Section B, and go to line 07FTV										16	07FTX 07FTX>
Section B												
17	Complete all columns below that apply (if you need more space, see instructions):											
	(a) Name of state	(b) Taxable wages (as defined in state act)	(c) State experience rate period		(d) State experience rate	(e) Multiply col. (b) by 0.054	(f) Multiply col. (b) by col. (d)	(g) Subtract col. (f) from col. (e). If zero or less, enter -0-.	(h) Contributions paid to state unemployment fund			
			From	To								
18	Totals										18	
19	Add columns (g) and (h) of line 18										19	
20	Total cash wages subject to FUTA tax (see the line 15 instructions)										20	
21	Multiply line 20 by 6.0% (0.06)										21	
22	Multiply line 20 by 5.4% (0.054)										22	
23	Enter the smaller of line 19 or line 22. (If you paid state unemployment contributions late or you're in a credit reduction state, see instructions and check here) <input type="checkbox"/>										23	
24	FUTA tax. Subtract line 23 from line 21. Enter the result here and go to line 25										24	
Part III Total Household Employment Taxes												
25	Enter the amount from line 8c. If you checked the "Yes" box on line C of page 1, enter -0-										25	07TCR>
26	Add line 16 (or line 24) and line 25										26	07HTX>
27	Are you required to file Form 1040?											
	<input type="checkbox"/> Yes. Stop. Include the amount from line 26 above on Schedule 2 (Form 1040), line 7a. Include the amount, if any, from line 8e, on Schedule 3 (Form 1040), line 12b. Don't complete Part IV below.											
	<input type="checkbox"/> No. You may have to complete Part IV. See instructions for details.											
Part IV Address and Signature — Complete this part only if required. See the line 27 instructions.												
Address (number and street) or P.O. box if mail isn't delivered to street address										Apt., room, or suite no.		
City, town or post office, state, and ZIP code												
Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.												
<div style="display: flex; justify-content: space-between;"> <div> Employer's signature _____ Paid Preparer Use Only Print/Type preparer's name _____ Preparer's signature _____ Firm's name ► _____ Firm's address ► _____ </div> <div> Date _____ Date _____ Check <input type="checkbox"/> if self-employed Firm's EIN ► _____ Phone no. _____ </div> </div>												

Schedule H (Form 1040) 2020

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 373

Exhibit 3.12.14-7 (Cont. 2) (01-01-2023) Schedule H (2020)

Schedule H (Form 1040) 2020										Page 2	
Part II Federal Unemployment (FUTA) Tax											
										Yes	No
10 Did you pay unemployment contributions to only one state? If you paid contributions to a credit reduction state, see instructions and check "No"										10	
11 Did you pay all state unemployment contributions for 2020 by April 15, 2021? Fiscal year filers, see instructions										11	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?										12	
										07FIN	
Next: If you checked the "Yes" box on all the lines above, complete Section A. If you checked the "No" box on any of the lines above, skip Section A and complete Section B.											
Section A											
13 Name of the state where you paid unemployment contributions ▶											
14 Contributions paid to your state unemployment fund										14	
15 Total cash wages subject to FUTA tax										15	
16 FUTA tax. Multiply line 15 by 0.6% (0.006). Enter the result here, skip Section B, and go to line 25										16	
Section B											
17 Complete all columns below that apply (if you need more space, see instructions):											
(a) Name of state		(b) Taxable wages (as defined in state act)		(c) State experience rate period From To		(d) State experience rate	(e) Multiply col. (b) by 0.054	(f) Multiply col. (b) by col. (d)	(g) Subtract col. (f) from col. (e). If zero or less, enter -0-.	(h) Contributions paid to state unemployment fund	
07AS1 07SC1		07CW1									
07SC2		07CW2									
07CC2		07CWC>									
										18	07FCP
18 Totals										18	07FCP
19 Add columns (g) and (h) of line 18										19	07TTC
20 Total cash wages subject to FUTA tax (see the line 15 instructions)										20	07TFW
21 Multiply line 20 by 6.0% (0.06)										21	07BAS>
22 Multiply line 20 by 5.4% (0.054)										22	07MAX>
23 Enter the smaller of line 19 or line 22. (If you paid state unemployment contributions late or you're in a credit reduction state, see instructions and check here) <input type="checkbox"/>										23	07SML>
24 FUTA tax. Subtract line 23 from line 21. Enter the result here and go to line 25										07FTV	07FTX 07FTX>
Part III Total Household Employment Taxes											
25 Enter the amount from line 8c. If you checked the "Yes" box on line C of page 1, enter -0-										25	07TCR>
26 Add line 16 (or line 24) and line 25										26	07HTX>
27 Are you required to file Form 1040?											
<input type="checkbox"/> Yes. Stop. Include the amount from line 26 above on Schedule 2 (Form 1040), line 7a. Include the amount, if any, from line 8e, on Schedule 3 (Form 1040), line 12b. Don't complete Part IV below.											
<input type="checkbox"/> No. You may have to complete Part IV. See instructions for details.											
Part IV Address and Signature — Complete this part only if required. See the line 27 instructions.											
Address (number and street) or P.O. box if mail isn't delivered to street address										Apt., room, or suite no.	
City, town or post office, state, and ZIP code											
Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.											
Employer's signature										Date	
Print/Type preparer's name										Preparer's signature	
Firm's name ▶										Firm's EIN ▶	
Firm's address ▶										Phone no.	
Paid Preparer Use Only										<input type="checkbox"/> Check <input type="checkbox"/> if self-employed PTIN	

Schedule H (Form 1040) 2020

Exhibit 3.12.14-8 (01-01-2023)
Schedule D

DRAFT**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Name of estate or trust

Capital Gains and Losses

Attach to Form 1041, Form 5227, or Form 990-T.

Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

Go to www.irs.gov/Form1041 for instructions and the latest information.

OMB No. 1545-0092

2023

Employer identification number

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? ☐ Yes ☐ No
 If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

100ID

Note: Form 5227 filers need to complete **only** Parts I and II.

Part I Short-Term Capital Gains and Losses—Generally Assets Held 1 Year or Less (see instructions)

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b	101AD	101AE		
1b Totals for all transactions reported on Form(s) 8949 with Box A checked	101BD	101BE	101BG	
2 Totals for all transactions reported on Form(s) 8949 with Box B checked	1002D	1002E	1002G	
3 Totals for all transactions reported on Form(s) 8949 with Box C checked	1003D	1003E	1003G	
4 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				4 1004
5 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				5 1005
6 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2022 Capital Loss Carryover Worksheet				6 ()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). Enter here and on Part III, line 17, column (3)				7

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than 1 Year (see instructions)

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b	108AD	108AE		
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	108BD	108BE	108BG	
9 Totals for all transactions reported on Form(s) 8949 with Box E checked	1009D	1009E	1009G	
10 Totals for all transactions reported on Form(s) 8949 with Box F checked	1010D	1010E	1010G	
11 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				11 1011
12 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				12 1012
13 Capital gain distributions				13 1013
14 Gain from Form 4797, Part I				14
15 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2022 Capital Loss Carryover Worksheet				15 ()
16 Net long-term capital gain or (loss). Combine lines 8a through 15 in column (h). Enter here and on Part III, line 18a, column (3)				16 1016

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Cat. No. 11376V

Schedule D (Form 1041) 2023

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 375

Exhibit 3.12.14-8 (Cont. 1) (01-01-2023) Schedule D

DRAFT

Schedule D (Form 1041) 2023

Page **2**

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
17	Net short-term gain or (loss)	17	1017	
18	Net long-term gain or (loss):			
a	Total for year	18a	1018A	
b	Unrecaptured section 1250 gain (see line 18 of the worksheet)	18b	1018B	
c	28% rate gain	18c	1018C	
19	Total net gain or (loss). Combine lines 17 and 18a	19	1019	

Note: If line 19, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Schedule A (Form 990-T), Part I, line 4a). If lines 18a and 19, column (2), are net gains, go to Part V, and **don't** complete Part IV. If line 19, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation	
20	Enter here and enter as a (loss) on Form 1041, line 4 (or Schedule A (Form 990-T), Part I, line 4c, if a trust), the smaller of:
a	The loss on line 19, column (3); or b \$3,000
20	()

Note: If the loss on line 19, column (3), is more than \$3,000, **or** if Form 1041, page 1, line 23 (or Form 990-T, Part I, line 11), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates	
Form 1041 filers. Complete this part only if both lines 18a and 19 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 23, is more than zero.	

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 18b, column (2), or line 18c, column (2), is more than zero;
- Both Form 1041, line 2b(1), and Form 4952, line 4g, are more than zero; or
- There are amounts on lines 4e and 4g of Form 4952.

Form 990-T trusts. Complete this part **only** if both lines 18a and 19 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, Part I, line 11, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 18b, column (2), or line 18c, column (2), is more than zero.

21	Enter taxable income from Form 1041, line 23 (or Form 990-T, Part I, line 11)	21	
22	Enter the smaller of line 18a or 19 in column (2) but not less than zero	22	
23	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	23	042B2
24	Add lines 22 and 23	24	
25	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-	25	
26	Subtract line 25 from line 24. If zero or less, enter -0-	26	
27	Subtract line 26 from line 21. If zero or less, enter -0-	27	
28	Enter the smaller of the amount on line 21 or \$3,000	28	
29	Enter the smaller of the amount on line 27 or line 28	29	
30	Subtract line 29 from line 28. If zero or less, enter -0-. This amount is taxed at 0%	30	
31	Enter the smaller of line 21 or line 26	31	
32	Subtract line 30 from line 26	32	
33	Enter the smaller of line 21 or \$14,650	33	
34	Add lines 27 and 30	34	
35	Subtract line 34 from line 33. If zero or less, enter -0-	35	
36	Enter the smaller of line 32 or line 35	36	
37	Multiply line 36 by 15% (0.15)	37	
38	Enter the amount from line 31	38	
39	Add lines 30 and 36	39	
40	Subtract line 39 from line 38. If zero or less, enter -0-	40	
41	Multiply line 40 by 20% (0.20)	41	
42	Figure the tax on the amount on line 27. Use the 2023 Tax Rate Schedule for Estates and Trusts. See the Schedule G instructions in the Instructions for Form 1041	42	
43	Add lines 37, 41, and 42	43	1043
44	Figure the tax on the amount on line 21. Use the 2023 Tax Rate Schedule for Estates and Trusts. See the Schedule G instructions in the Instructions for Form 1041	44	
45	Tax on all taxable income. Enter the smaller of line 43 or line 44 here and on Form 1041, Schedule G, Part I, line 1a (or Form 990-T, Part II, line 2)	45	

Schedule D (Form 1041) 2023

Form 8949

Exhibit 3.12.14-9

page 377

DRAFT

Attachment Sequence No. **12A** Page **2**

Social security number or taxpayer identification number

Part II Long-Term. Transactions involving capital assets you held more than 1 year are generally long-term (see instructions). For short-term transactions, see page 1.

Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

☐ (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)

☐ (E) Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS

☐ (F) Long-term transactions not reported to you on Form 1099-B

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Exhibit 3.12.14-9

Exhibit 3.12.14-10 (01-01-2022)

Form 8995, Form 8995-A & Schedule C (Form 8995-A)

DRAFTForm **8995**Department of the Treasury
Internal Revenue Service**Qualified Business Income Deduction
Simplified Computation**

Attach to your tax return.

Go to www.irs.gov/Form8995 for instructions and the latest information.

OMB No. 1545-2294

2023Attachment
Sequence No. **55**

Name(s) shown on return

Your taxpayer identification number

Note. You can claim the qualified business income deduction **only** if you have qualified business income from a qualified trade or business, real estate investment trust dividends, publicly traded partnership income, or a domestic production activities deduction passed through from an agricultural or horticultural cooperative. See instructions. Use this form if your taxable income, before your qualified business income deduction, is at or below \$182,100 (\$364,200 if married filing jointly), and you aren't a patron of an agricultural or horticultural cooperative.

1	(a) Trade, business, or aggregation name	(b) Taxpayer identification number	(c) Qualified business income or (loss)
i			
ii			
iii			
iv			
v			

2	Total qualified business income or (loss). Combine lines 1i through 1v, column (c)	2		
3	Qualified business net (loss) carryforward from the prior year	3	(13BNC)	
4	Total qualified business income. Combine lines 2 and 3. If zero or less, enter -0-	4		
5	Qualified business income component. Multiply line 4 by 20% (0.20)	5		13QBI
6	Qualified REIT dividends and publicly traded partnership (PTP) income or (loss) (see instructions)	6		
7	Qualified REIT dividends and qualified PTP (loss) carryforward from the prior year	7	(13RPC)	
8	Total qualified REIT dividends and PTP income. Combine lines 6 and 7. If zero or less, enter -0-	8		
9	REIT and PTP component. Multiply line 8 by 20% (0.20)	9		13QRP
10	Qualified business income deduction before the income limitation. Add lines 5 and 9	10		
11	Taxable income before qualified business income deduction (see instructions)	11		
12	Net capital gain (see instructions)	12	13NCG	
13	Subtract line 12 from line 11. If zero or less, enter -0-	13		
14	Income limitation. Multiply line 13 by 20% (0.20)	14		
15	Qualified business income deduction. Enter the smaller of line 10 or line 14. Also enter this amount on the applicable line of your return (see instructions)	15		
16	Total qualified business (loss) carryforward. Combine lines 2 and 3. If greater than zero, enter -0-	16	(13TBL)	
17	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 6 and 7. If greater than zero, enter -0-	17	(13TRP)	

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

Cat. No. 37806C

Form **8995** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 379

Exhibit 3.12.14-10 (Cont. 1) (01-01-2022)

Form 8995, Form 8995-A & Schedule C (Form 8995-A)

<p>DRAFT</p>	<p>INFORMATION ONLY</p>	<p>OMB No. 1545-2294</p> <p>2023</p> <p>Attachment Sequence No. 55A</p>			
<p>Form 8995-A</p> <p>Department of the Treasury Internal Revenue Service</p>					
<p>Qualified Business Income Deduction</p> <p>Attach to your tax return.</p> <p>Go to www.irs.gov/Form8995A for instructions and the latest information.</p>					
<p>Name(s) shown on return</p>		<p>Your taxpayer identification number</p>			
<p>Note: You can claim the qualified business income deduction only if you have qualified business income from a qualified trade or business, real estate investment trust dividends, publicly traded partnership income, or a domestic production activities deduction passed through from an agricultural or horticultural cooperative. See instructions.</p> <p>Use this form if your taxable income, before your qualified business income deduction, is above \$182,100 (\$364,200 if married filing jointly), or you're a patron of an agricultural or horticultural cooperative.</p>					
<p>Part I Trade, Business, or Aggregation Information</p> <p>Complete Schedules A, B, and/or C (Form 8995-A), as applicable, before starting Part I. Attach additional worksheets when needed. See instructions.</p>					
1	(a) Trade, business, or aggregation name	(b) Check if specified service	(c) Check if aggregation	(d) Taxpayer identification number	(e) Check if patron
A		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
B		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
C		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<p>Part II Determine Your Adjusted Qualified Business Income</p>					
		A	B	C	
2	Qualified business income from the trade, business, or aggregation. See instructions				2
3	Multiply line 2 by 20% (0.20). If your taxable income is \$182,100 or less (\$364,200 if married filing jointly), skip lines 4 through 12				3
4	Allocable share of W-2 wages from the trade, business, or aggregation				4
5	Multiply line 4 by 50% (0.50)				5
6	Multiply line 4 by 25% (0.25)				6
7	Allocable share of the unadjusted basis immediately after acquisition (UBIA) of all qualified property				7
8	Multiply line 7 by 2.5% (0.025)				8
9	Add lines 6 and 8				9
10	Enter the greater of line 5 or line 9				10
11	W-2 wage and UBIA of qualified property limitation. Enter the smaller of line 3 or line 10				11
12	Phased-in reduction. Enter the amount from line 26, if any				12
13	Qualified business income deduction before patron reduction. Enter the greater of line 11 or line 12				13
14	Patron reduction. Enter the amount from Schedule D (Form 8995-A), line 6, if any. See instructions				14
15	Qualified business income component. Subtract line 14 from line 13				15
16	Total qualified business income component. Add all amounts reported on line 15				16

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 71661B Form **8995-A** (2023)

Exhibit 3.12.14-10 (Cont. 2) (01-01-2022)

Form 8995, Form 8995-A & Schedule C (Form 8995-A)

DRAFT

Form 8995-A (2023)

Page **2****Part III Phased-in Reduction**

Complete Part III only if your taxable income is more than \$170,050 but not \$220,050 (\$340,100 and \$440,100 if married filing jointly) and line 10 is less than line 3. Otherwise, skip Part III.

		A	B	C
17	Enter the amounts from line 3	17		
18	Enter the amounts from line 10	18		
19	Subtract line 18 from line 17	19		
20	Taxable income before qualified business income deduction	20		
21	Threshold. Enter \$182,150 (\$364,200 if married filing jointly)	21		
22	Subtract line 21 from line 20	22		
23	Phase-in range. Enter \$50,000 (\$100,000 if married filing jointly)	23		
24	Phase-in percentage. Divide line 22 by line 23	24	%	
25	Total phase-in reduction. Multiply line 19 by line 24	25		
26	Qualified business income after phase-in reduction. Subtract line 25 from line 17. Enter this amount here and on line 12, for the corresponding trade or business	26		

Part IV Determine Your Qualified Business Income Deduction

27	Total qualified business income component from all qualified trades, businesses, or aggregations. Enter the amount from line 16	27	13QBI	
28	Qualified REIT dividends and publicly traded partnership (PTP) income or (loss). See instructions	28		
29	Qualified REIT dividends and PTP (loss) carryforward from prior years	29	(13RPC)	
30	Total qualified REIT dividends and PTP income. Combine lines 28 and 29. If less than zero, enter -0-	30		
31	REIT and PTP component. Multiply line 30 by 20% (0.20)	31	13QRP	
32	Qualified business income deduction before the income limitation. Add lines 27 and 31	32		
33	Taxable income before qualified business income deduction	33		
34	Net capital gain. See instructions	34	13NCG	
35	Subtract line 34 from line 33. If zero or less, enter -0-	35		
36	Income limitation. Multiply line 35 by 20% (0.20)	36		
37	Qualified business income deduction before the domestic production activities deduction (DPAD) under section 199A(g). Enter the smaller of line 32 or line 36	37		
38	DPAD under section 199A(g) allocated from an agricultural or horticultural cooperative. Don't enter more than line 33 minus line 37	38	13DPD	
39	Total qualified business income deduction. Add lines 37 and 38	39		
40	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 28 and 29. If zero or greater, enter -0-	40	(13TRP)	

Form **8995-A** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 381

Exhibit 3.12.14-10 (Cont. 3) (01-01-2022)

Form 8995, Form 8995-A & Schedule C (Form 8995-A)

SCHEDULE C (Form 8995-A) <small>(Rev. December 2022)</small> Department of the Treasury Internal Revenue Service	Loss Netting and Carryforward Attach to Form 8995-A. Go to www.irs.gov/Form8995A for instructions and the latest information.	OMB No. 1545-2294 Attachment Sequence No. 55D
Name(s) shown on return		Your taxpayer identification number
If you have more than three trades, businesses, or aggregations, complete and attach as many Schedules C as needed. See instructions.		
1	Trade, business, or aggregation name	(a) Qualified business income/(loss)
		(b) Reduction for loss netting (see instructions)
		(c) Adjusted qualified business income (Combine (a) and (b). If zero or less, enter -0-)
		()
		()
		()
2	Qualified business net (loss) carryforward from prior years. See instructions	
	2	(13BNC)
3	Total of the trades, businesses, or aggregations losses. Combine the negative amounts on lines 1, column (a), and 2 for all trades, businesses, or aggregations	
	3	()
4	Total of the trades, businesses, or aggregations income. Add the positive amounts on line 1, column (a), for all trades, businesses, or aggregations	
	4	
5	Losses netted with income of other trades, businesses, or aggregations. Enter in the parentheses on line 5 the smaller of the absolute value of line 3 or line 4. Allocate this amount to each of the trades, businesses, or aggregations on line 1, column (b)	
	5	()
6	Qualified business net (loss) carryforward. Subtract line 5 from line 3. If zero or more, enter -0-	
	6	(13TBL)

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 72684K Schedule C (Form 8995-A) (Rev. 12-2022)

Exhibit 3.12.14-11 (01-01-2023)

Form 4136

DRAFT

Form **4136**Department of the Treasury
Internal Revenue Service**Credit for Federal Tax Paid on Fuels**Go to www.irs.gov/Form4136 for instructions and the latest information.

OMB No. 1545-0162

2023
Attachment
Sequence No. **79**

Name (as shown on your income tax return)

Taxpayer identification number

Caution: Claimant has the name and address of the person who made the purchase of the fuel for which the credit is claimed on lines 1c and 2b (type of use 13 or 14). For claims on lines 1c and 2b (type of use 13 or 14), the credit card issuer's name and address must be provided to the credit card issuer.

**Credit Amount
Column (d)
Fields 15A01-18A07**

Claimant and the dates of purchase. For claims on lines 1c and 2b (type of use 13 or 14), the credit card issuer's name and address must be provided to the credit card issuer.

1 Nontaxable Use of Gasoline

Note: CRN is the credit reference number.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use	.183			
b	Use on a farm for farming purposes	.183			362
c	Other nontaxable use (see Caution above line 1)	.183			
d	Exported	.184			411

**CRN Column
(e)
Fields 15C01-
18C07**

2 Nontaxable Use of Aviation Gasoline

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	.15		\$	354
b	Other nontaxable use (see Caution above line 1)	.193			324
c	Exported	.194			412
d	LUST tax on aviation fuels used in foreign trade	.001			433

3 Nontaxable Use of Undyed Diesel Fuel

Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach an explanation and check here ☐

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	.243			
b	Use on a farm for farming purposes	.243		\$	360
c	Use in trains	.243			353
d	Use in certain intercity and local buses (see Caution above line 1)	.17			350
e	Exported	.244			413

4 Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach an explanation and check here ☐

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use taxed at \$.244	.243			
b	Use on a farm for farming purposes	.243		\$	346
c	Use in certain intercity and local buses (see Caution above line 1)	.17			347
d	Exported	.244			414
e	Nontaxable use taxed at \$.044	.043			377
f	Nontaxable use taxed at \$.219	.218			369

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 12625R

Form **4136** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 383

Exhibit 3.12.14-11 (Cont. 1) (01-01-2023) Form 4136

DRAFT

Form 4136 (2023)

**Credit Amounts
Column (d)
Fields
15A01 – 18A07**

Page **2**

5 Kerosene Used in Aviation

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Kerosene used in commercial aviation (other than foreign trade) taxed at \$.244		\$.200		\$	417
b Kerosene used in commercial aviation (other than foreign trade) taxed at \$.219		.175			355
c Nontaxable use (other than use by state or local government) taxed at \$.244		.243			346
d Nontaxable use (other than use by state or local government) taxed at \$.219		.218			369
e LUST tax on aviation fuels used in foreign trade		.001			433

6 Sales by Registered Ultimate Vendors of Undyed Diesel Fuel **Registration No.**

Claimant certifies that it sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the diesel fuel did not contain visible evidence of dye.

Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach an explanation and check here ☐

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use by a state or local government	\$.243		\$	360
b Use in certain intercity and local buses	.17			350

7 Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene for Use in Aviation) **Registration No.**

Claimant certifies that it sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the kerosene did not contain visible evidence of dye.

Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach an explanation and check here ☐

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use by a state or local government	\$.243			
b Sales from a blocked pump	.243		\$	346
c Use in certain intercity and local buses	.17			347

8 Sales by Registered Ultimate Vendors of Kerosene for Use in Aviation **Registration No.**

Claimant sold the kerosene for use in aviation at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. See the instructions for additional information to be submitted.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Use in commercial aviation (other than foreign trade) taxed at \$.219		\$.175		\$	355
b Use in commercial aviation (other than foreign trade) taxed at \$.244		.200			417
c Nonexempt use in noncommercial aviation		.025			418
d Other nontaxable uses taxed at \$.244		.243			346
e Other nontaxable uses taxed at \$.219		.218			369
f LUST tax on aviation fuels used in foreign trade		.001			433

Form **4136** (2023)

Exhibit 3.12.14-11 (Cont. 2) (01-01-2023)
Form 4136

DRAFT

Form 4136 (2023)

Page **3**

9 Reserved for future use		Registration No.			
	(b) Rate	(c) Gallons of alcohol	(d) Amount of credit	(e) CRN	
a Reserved for future use			\$		
b Reserved for future use					

10 Biodiesel, Renewable Diesel, or Sustainable Aviation Fuel Mixture Credit		Registration No.			
<p>Biodiesel or renewable diesel mixtures. Claimant produced a mixture by mixing biodiesel with diesel fuel or renewable diesel with liquid fuel (other than renewable diesel). The biodiesel used to produce the biodiesel mixture met ASTM D6751 and met EPA's registration requirements for fuels and fuel additives. The renewable diesel used to produce the renewable diesel mixture was derived from biomass, met EPA's registration requirements for fuels and fuel additives, and met ASTM D975, D396, or other equivalent standard approved by the IRS.</p> <p>Sustainable aviation fuel (SAF) mixtures. Claimant produced a qualified mixture by mixing SAF with kerosene. The qualified mixture was produced by the claimant in the United States, such mixture was used by the claimant (or sold by the claimant for use) in an aircraft, such sale or use was in the ordinary course of a trade or business of the claimant, and the transfer of such mixture to the fuel tank of such aircraft occurred in the United States. The SAF used to produce the qualified mixture is the portion of liquid fuel that is not kerosene that (i) either (A) meets the specifications of one of the ASTM D7566 Annexes, or (B) meets the specifications of ASTM D1655 Annex A1, (ii) is not derived from coprocessing an applicable material (or materials derived from an applicable material) with a feedstock that is not biomass, (iii) is not derived from palm fatty acid distillates or petroleum, and (iv) has been certified in accordance with section 40B(e) as having a lifecycle greenhouse gas emissions reduction percentage of at least 50 percent. For all claims. Claimant has attached the appropriate certificates and, if applicable, appropriate reseller statements. Claimant has no reason to believe that the information in the certificate or statement is false. See the instructions for additional information and requirements.</p>					
	(b) Rate	(c) Number of gallons sold or used	(d) Amount of credit	(e) CRN	
a Biodiesel (other than agri-biodiesel) mixtures			\$		388
b Agri-biodiesel mixtures					390
c Renewable diesel mixtures					307
d Sustainable aviation fuel mixtures (see instructions)					440

11 Nontaxable Use of Alternative Fuel		Registration No.			
Caution: There is a reduced credit rate for use in certain intercity and local buses (type of use).					
(a) Type of use	(b) Rate	(c) Gallons, or gasoline or diesel gallon equivalents			(e) CRN
a Liquefied petroleum gas (LPG) (see instructions)	\$.183		\$		419
b "P Series" fuels	.183				420
c Compressed natural gas (CNG) (see instructions)	.183				421
d Liquefied hydrogen	.183				422
e Fischer-Tropsch process liquid fuel from coal (including peat)	.243				423
f Liquid fuel derived from biomass	.243				424
g Liquefied natural gas (LNG) (see instructions)	.243				425
h Liquefied gas derived from biomass	.183				435

Form **4136** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 385

Exhibit 3.12.14-11 (Cont. 3) (01-01-2023) Form 4136

DRAFT

Form 4136 (2023)

**Credit Amounts
Column (d)
Fields
15A01 – 18A07**

Page **4**

12 Alternative Fuel Credit

	(b) Rate	(c) Gallons, or gasoline or diesel gallon equivalents	(d) Amount of credit	(e) CRN
a Liquefied petroleum gas (LPG) (see instructions)	.50		\$	426
b "P Series" fuels	.50			427
c Compressed natural gas (CNG) (see instructions)	.50			428
d Reserved for future use				
e Fischer-Tropsch process liquid fuel from coal (including peat)	.50			430
f Liquid fuel derived from biomass	.50			431
g Liquefied natural gas (LNG) (see instructions)	.50			432
h Liquefied gas derived from biomass	.50			436
i Compressed gas derived from biomass	.50			437

13 Registered Credit Card Issuers

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Diesel fuel sold for the exclusive use of a state or local government	.243		\$	360
b Kerosene sold for the exclusive use of a state or local government	.243			346
c Kerosene for use in aviation sold for the exclusive use of a state or local government taxed at \$.219	.218			369

14 Nontaxable Use of a Diesel-Water Fuel Emulsion

Caution: There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See instructions.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Nontaxable use		.197		\$	309
b Exported		.198			306

15 Diesel-Water Fuel Emulsion Blending

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
Blender credit	.046		\$	310

16 Exported Dyed Fuels and Exported Gasoline Blendstocks

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a Exported dyed diesel fuel and exported gasoline blendstocks taxed at \$.001	.001		\$	415
b Exported dyed kerosene	.001			416

17 Total income tax credit claimed. Add lines 1 through 16, column (d). Enter here and on Schedule 3 (Form 1040), line 12; Form 1120, Schedule J, line 20b; Form 1120-S, line 23c; Form 1041, Schedule G, line 16b; or the proper line of other returns **17** \$

Form **4136** (2023)

Exhibit 3.12.14-12 (01-01-2023)
Form 8978 & Schedule A (Form 8978)

DRAFT

Form 8978
 (Rev. January 2023)
 Department of the Treasury
 Internal Revenue Service

Partner's Additional Reporting Year Tax

OMB No. 1545-0123

Go to www.irs.gov/Form8978 for instructions and the latest information.Attachment
Sequence No. **57**

Name of partner(s)

19Q1

Partner tax ID number

Source of review year adjustments: ☐ BBA Audit ☐ AAR Filing**Part I Computation of Additional Reporting Year Tax** (see instructions)

		(a) Tax Year Ended / /20	(b) Tax Year Ended / /20	(c) Tax Year Ended / /20	(d) Tax Year Ended / /20
1a Total income per original return or as previously adjusted	1a				
b Adjustments to income from Schedule A (Form 8978), line 2, columns (a) through (d)	1b				
2 Combine lines 1a and 1b and enter the corrected income. See instructions	2				
3a Total deductions per original return or as previously adjusted	3a				
b Adjustments to deductions from Schedule A (Form 8978), line 4, columns (a) through (d)	3b				
4 Combine lines 3a and 3b and enter the corrected deductions. See instructions	4				
5 Corrected taxable income. Subtract line 4 from line 2	5				
6 Income tax on line 5 (see instructions)	6				
7 Alternative minimum tax on line 5 (see instructions)	7				
8 Total corrected income tax. Add lines 6 and 7	8				
9a Total credits per original return or as previously adjusted	9a				
b Adjustments to credits from Schedule A (Form 8978), line 6, columns (a) through (d)	9b				
10 Combine lines 9a and 9b and enter the corrected credits. See instructions	10				
11 Total corrected income tax liability. Subtract line 10 from line 8	11				
12 Total income tax shown on original return or as previously adjusted	12				
13 Increase/Decrease to tax. Subtract line 12 from line 11, columns (a) through (d)	13				
14 Total increase/decrease to reporting year tax. Add line 13, columns (a) through (d). Enter here and on the appropriate line on your tax return	14				1914

Part II Penalties (see instructions)

15 Penalties	15				
16 Total penalties. Add line 15, columns (a) through (d)	16				1916

Part III Interest (see instructions)

17 Interest	17				
18 Total interest. Add line 17, columns (a) through (d)	18				1918

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 37802K

Form **8978** (1-2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 387

Exhibit 3.12.14-12 (Cont. 1) (01-01-2023)

Form 8978 & Schedule A (Form 8978)

DRAFT

SCHEDULE A
(Form 8978)
(Rev. January 2023)
Department of the Treasury
Internal Revenue Service

Partner's Additional Reporting Year Tax
(Schedule of Adjustments)
Attach to Form 8978.
Go to www.irs.gov/Form8978 for the latest information.

OMB No. 1545-0123

Name of partner(s) **19Q1**

Partner tax ID number

Source of review year adjustments: ☐ BBA Audit ☐ AAR Filing

Adjustments (see instructions)	Tracking Number	(a) Tax Year Ended / /20	(b) Tax Year Ended / /20	(c) Tax Year Ended / /20	(d) Tax Year Ended / /20
1 Income:					
a					
b					
c					
d					
e					
f					
g					
2 Total adjustments to income (add lines 1a through 1g in each column (a) through (d))					
3 Deductions:					
a					
b					
c					
d					
e					
f					
g					
4 Total adjustments to deductions (add lines 3a through 3g in each column (a) through (d))					
5 Credits:					
a					
b					
c					
d					
e					
f					
g					
6 Total adjustments to credits (add lines 5a through 5g in each column (a) through (d))					

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Cat. No. 70970F

Schedule A (Form 8978) (1-2023)

Exhibit 3.12.14-13 (01-01-2023)

Form 965-A, Individual Report of Net 965 Tax Liability (Field Designators)

Form 965-A (Rev. January 2021) Department of the Treasury Internal Revenue Service		Individual Report of Net 965 Tax Liability ▶ Go to www.irs.gov/Form965A for instructions and the latest information.				OMB No. 1545-0074 Attachment Sequence No. 76A	
Check this box if this is an amended report <input type="checkbox"/>							
Name of taxpayer with a net 965 tax liability				Identifying number		Taxable year of reporting	

Part I Report of Net 965 Tax Liability and Election To Pay in Installments						
	(a) Year of Section 965(a) Inclusion, Liability Assumed, or Liability Triggering Event (see instructions)	(b) Taxpayer's Net Tax Liability with all 965 amounts (see instructions)	(c) Taxpayer's Net Tax Liability without 965 amounts (see instructions)	(d) Net 965 Tax Liability (subtract column (c) from column (b))	(e) S Corporation Shareholder Total Deferred Net 965 Tax Liability (line total from Part III, column (g), see instructions)	
1	2001A 2017					1
2	2002A 2018					2
3	2003A 2019					3
4	2004A 2020					4
5	2005A					5
6						6
7						7
8						8

	(f) Net 965 Tax Liability eligible for installment payment election (subtract column (e) from column (d), see instructions)	(g) Installment Election Made <div style="display: flex; justify-content: space-between;"><div>Yes</div><div>No</div></div>	(h) Net 965 Tax Liability to be paid in full for Year 1 (if column (g) is "No," enter amount from column (f))	(i) Net 965 Tax Liability to be paid in installments (if column (g) is "Yes," enter amount from column (f) and see instructions)	(j) Net 965 Tax Liability Transferred (Out), Transferred In, or Subsequent Adjustments, if any (see instructions)	(k) Tax Identification Number of buyer/transferee or seller/transferee	
1					2001J	2001K	1
2					2002J	2002K	2
3					2003J	2003K	3
4					2004J	2004K	4
5					2005J	2005K	5
6							6
7							7
8							8

Part II Record of Amount of Net 965 Tax Liability Paid by the Taxpayer (see instructions)							
	(a) Year of Section 965(a) Inclusion, Liability Assumed, or Triggering Event	(b) Paid for Year 1	(c) Paid for Year 2	(d) Paid for Year 3	(e) Paid for Year 4	(f) Paid for Year 5	
1	2017						1
2	2018						2
3	2019						3
4	2020						4
5							5
6							6
7							7
8							8

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
 Cat. No. 71277H
Form **965-A** (Rev. 1-2021)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 389

Exhibit 3.12.14-13 (Cont. 1) (01-01-2023)

Form 965-A, Individual Report of Net 965 Tax Liability (Field Designators)

INFORMATION ONLY									
Form 965-A (Rev. 1-2021)									
Page 2									
Part II Record of Amount of Net 965 Tax Liability Paid by the Taxpayer <i>(continued)</i>									
	(g) Paid for Year 6	(h) Paid for Year 7	(i) Paid for Year 8	(j) Net 965 Tax Liability Remaining Unpaid (see instructions)	(k) Net 965 Tax Liability Paid for the Reporting Year				
1						1			
2						2			
3						3			
4						4			
5						5			
6						6			
7						7			
8						8			
Totals						▶			
Part III S Corporation Shareholder: Report of Calculation of Net 965 Tax Liability Related to 965 Amounts Allocated From an S Corporation and Election To Defer Such Net 965 Tax Liability									
	Year of 965(a) Inclusion	(a) S Corporation Name	(b) S Corporation Tax Identification Number	(c) Taxpayer's Net Tax Liability with only 965 amounts from this S Corporation (see instructions)	(d) Taxpayer's Net Tax Liability without 965 amounts (see instructions)	(e) Net 965 Tax Liability related to 965 amounts from this S Corporation (subtract column (d) from column (c))	(f) Deferral Election Made		(g) Deferred Net 965 Tax Liability (if column (f) is "Yes," enter amount from column (e))
1	2017						Yes	No	
Total ▶									
2	2018						Yes	No	
Total ▶									
3	2019						Yes	No	
Total ▶									
4	2020						Yes	No	
Total ▶									

Form **965-A** (Rev. 1-2021)

Exhibit 3.12.14-13 (Cont. 2) (01-01-2023)
Form 965-A, Individual Report of Net 965 Tax Liability (Field Designators)

Form 965-A (Rev. 1-2021)

Page 3

Part IV

Annual Report of Deferred Net 965 Tax Liability Related to 965 Amounts Allocated From S Corporations
(required every year until the liability is fully paid)

	(a) Election or Transfer Year	(b) S Corporation Name	(c) S Corporation Tax Identification Number	(d) Beginning Deferred Net 965 Tax Liability (see instructions)	
1					1
2					2
3					3
4					4
5					5
6					6
7					7
8					8
9					9
10					10

	(e) Reserved for Future Use	(f) Net 965 Tax Liability Triggered (see instructions)	(g) Deferred 965 Net Tax Liability Transferred (Out) or Transferred In by Agreement, if any (see instructions)	(h) Tax Identification Number of Transferee or Transferor	(i) Deferred Net Tax Liability at the end of this Reporting Year (add columns (d), (f), and (g)) (see instructions)	
1		(20TT1)				1
2		(20TT2)				2
3		(20TT3)				3
4		(20TT4)				4
5		(20TT5)				5
20P4A 6		()				6
7		()				7
8		()				8
9		()				9
10		()				10

Total

▶

20TDT

If more lines are needed for any Part on this form, attach additional sheets.

Form 965-A (Rev. 1-2021)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 391

Exhibit 3.12.14-14 (01-01-2024) Form 8936, Schedule A

DRAFT	
SCHEDULE A (Form 8936) <small>Department of the Treasury Internal Revenue Service</small>	<div style="text-align: right; font-size: small;">OMB No. 1545-2137</div> <div style="text-align: center; font-size: 2em; font-weight: bold; margin: 10px 0;">2023</div> <div style="text-align: center; font-size: small;">Attachment Sequence No. 69A</div>
Attach to your tax return. Go to www.irs.gov/Form8936 for instructions and the latest information.	
Name(s) shown on return	Identifying number
Part I Vehicle Details	
1a Year	
b Make	
c Model	
2 Vehicle identification number (VIN) (see instructions) 311VI 312VI	
3 Enter date vehicle was placed in service (MM/DD/YYYY) 311DT 312DT	
4 Was the vehicle used primarily outside the United States? Answer "No" if it was but an exception applies. See instructions. <input type="checkbox"/> Yes. Stop here. You can't claim a credit amount for a vehicle used primarily outside the United States. <input type="checkbox"/> No.	
5 Does the VIN entered on line 2 belong to a new clean vehicle placed in service during the tax year? See instructions for definitions. <input type="checkbox"/> Yes. Go to Part II. <input type="checkbox"/> No. Go to line 6.	
6 Does the VIN entered on line 2 belong to a previously owned clean vehicle acquired after 2022 and placed in service during the tax year? See instructions for definitions. <input type="checkbox"/> Yes. Go to Part IV. <input type="checkbox"/> No. Go to line 7.	
7 Does the VIN entered on line 2 belong to a qualified commercial clean vehicle acquired after 2022 and placed in service during the tax year? See instructions for definitions. <input type="checkbox"/> Yes. Go to Part V. <input type="checkbox"/> No. Stop here. You can't use this schedule to figure a credit amount for a vehicle not described on line 5, 6, or 7.	
Part II Credit Amount for Business/Investment Use Part of New Clean Vehicle	
8 Did you acquire the vehicle for use or to lease to others, and not for resale? Answer "No" if you are leasing the vehicle from another person. <input type="checkbox"/> Yes. <input type="checkbox"/> No. Stop here. You can't claim a credit amount for a vehicle you didn't acquire for use or to lease to others, or acquired for resale.	
9 Tentative credit amount (see instructions)	9 31109 31209
10 Business/investment use percentage (see instructions)	10 %
11 Multiply line 9 by line 10. Include this credit amount on line 6 in Part II of Form 8936. If you entered 100% on line 10, stop here. Otherwise, go to Part III below	11 31111 31211
Part III Credit Amount for Personal Use Part of New Clean Vehicle	
12 Subtract line 11 from line 9 in Part II. Stop here and include this credit amount on line 9 in Part III of Form 8936	12
For Paperwork Reduction Act Notice, see the Form 8936 instructions. Cat. No. 93602W Schedule A (Form 8936) 2023	

Exhibit 3.12.14-14 (Cont. 1) (01-01-2024)
Form 8936, Schedule A

DRAFT

Schedule A (Form 8936) 2023

Page **2****Part IV Credit Amount for Previously Owned Clean Vehicle**

13a	Is the sales price of the vehicle more than \$25,000?		
	<input type="checkbox"/> Yes. Stop here. The vehicle doesn't qualify for the Part IV credit.		
	<input type="checkbox"/> No.		
b	Did you acquire the vehicle for use and not for resale? Answer "No" if you are leasing the vehicle from another person.		
	<input type="checkbox"/> Yes.		
	<input type="checkbox"/> No. Stop here. You can't claim a credit amount for a vehicle you didn't acquire for use or acquired for resale.		
c	Can you be claimed as a dependent on another person's tax return, such as your parent's return?		
	<input type="checkbox"/> Yes. Stop here. You can't claim a credit amount if you can be claimed as a dependent.		
	<input type="checkbox"/> No.		
d	Is the vehicle a qualified fuel cell motor vehicle? See instructions.		
	<input type="checkbox"/> Yes.		
	<input type="checkbox"/> No.		
14	Enter the sales price of the vehicle	14	
15	Multiply line 14 by 30% (0.30)	15	
16	Maximum vehicle credit amount	16	\$4,000
17	Enter the smaller of line 15 or line 16. Stop here and include this credit amount on line 14 in Part IV of Form 8936	17	31117 31217

Part V Credit Amount for Qualified Commercial Clean Vehicle

18a	Is the vehicle of a character subject to the allowance for depreciation? Answer "Yes" if the exception for certain tax-exempt entities discussed in the instructions applies.		
	<input type="checkbox"/> Yes.		
	<input type="checkbox"/> No. Stop here. The vehicle is not a qualified commercial clean vehicle unless the exception applies.		
b	Did you acquire the vehicle for use or to lease to others, and not for resale? Answer "No" if you are leasing the vehicle from another person.		
	<input type="checkbox"/> Yes.		
	<input type="checkbox"/> No. Stop here. You can't claim a credit amount for a vehicle you didn't acquire for use or to lease to others, or acquired for resale.		
c	Is the vehicle also powered by gas or diesel? See instructions.		
	<input type="checkbox"/> Yes.		
	<input type="checkbox"/> No.		
19	Enter the cost or other basis of the vehicle. See instructions	19	
20	Section 179 expense deduction (see instructions)	20	
21	Subtract line 20 from line 19	21	
22	Multiply line 21 by 15% (0.15) [30% (0.30) if the answer on line 18c above is "No"]	22	
23	Enter the incremental cost of the vehicle. See instructions	23	
24	Enter the smaller of line 22 or line 23	24	
25	Maximum credit. Enter \$7,500 (\$40,000 if the vehicle's gross vehicle weight rating (GVWR) is 14,000 pounds or more)	25	
26	Enter the smaller of line 24 or line 25. Include this credit amount on line 19 in Part V of Form 8936	26	31126 31226

Schedule A (Form 8936) 2023

3131N

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 393

Exhibit 3.12.14-15 (01-01-2024) Form 8941

DRAFT	
Form 8941 Department of the Treasury Internal Revenue Service Name(s) shown on return	<div style="display: flex; justify-content: space-between;"> <div> Credit for Small Employer Health Insurance Premiums Attach to your tax return. Go to www.irs.gov/Form8941 for instructions and the latest information. </div> <div style="text-align: right;"> OMB No. 1545-2198 2023 Attachment Sequence No. 65 </div> </div>
21CBX A Did you pay premiums during your tax year for employee health insurance coverage you provided through a Small Business Health Options Program (SHOP) Marketplace (or do you qualify for an exception to this requirement)? See instructions. <input type="checkbox"/> Yes. Enter Marketplace Identifier (if any): _____ <input type="checkbox"/> No. Stop. Do not file Form 8941. See instructions for an exception that may apply to a partnership, S corporation, cooperative, estate, trust, or tax-exempt entity.	
B Enter the employer identification number (EIN) used to report employment taxes for individuals included on line 1 below if different from the identifying number listed above: 21LNB	
21BXC C Does a tax return you (or any predecessor) filed for a tax year beginning after 2013 and before 2022 include a Form 8941 with line A checked "Yes" and line 12 showing a positive amount? See instructions. <input type="checkbox"/> Yes. Stop. Do not file Form 8941. See instructions for an exception that may apply to a partnership, S corporation, cooperative, estate, trust, or tax-exempt entity. Also see instructions for information about the credit period limitation. <input type="checkbox"/> No. Go to line 1.	
Caution: See the instructions and complete Worksheets 1 through 7 as needed.	
1 Enter the number of individuals you employed during the tax year who are considered employees for purposes of this credit (total from Worksheet 1, column (a))	1 21LN1
2 Enter the number of full-time equivalent employees (FTEs) you had for the tax year (from Worksheet 2, line 3). If you entered 25 or more, skip lines 3 through 11 and enter -0- on line 12	2 2102
3 Average annual wages you paid for the tax year (from Worksheet 3, line 3). This amount must be a multiple of \$1,000. If you entered \$62,000 or more, skip lines 4 through 11 and enter -0- on line 12	3 2103
4 Premiums you paid during the tax year for employees included on line 1 for health insurance coverage under a qualifying arrangement (total from Worksheet 4, column (b))	4 2104
5 Premiums you would have entered on line 4 if the total premium for each employee equaled the average premium for the small group market in which the employee enrolls in health insurance coverage (total from Worksheet 4, column (c))	5 2105
6 Enter the smaller of line 4 or line 5	6
7 Multiply line 6 by the applicable percentage: • Tax-exempt small employers, multiply line 6 by 35% (0.35) • All other small employers, multiply line 6 by 50% (0.50)	7
8 If line 2 is 10 or less, enter the amount from line 7. Otherwise, enter the amount from Worksheet 5, line 6	8
9 If line 3 is \$30,000 or less, enter the amount from line 8. Otherwise, enter the amount from Worksheet 6, line 7	9
10 Enter the total amount of any state premium subsidies paid and any state tax credits available to you for premiums included on line 4. See instructions	10 2110
11 Subtract line 10 from line 4. If zero or less, enter -0-	11
12 Enter the smaller of line 9 or line 11	12
13 If line 12 is zero, skip lines 13 and 14 and go to line 15. Otherwise, enter the number of employees included on line 1 for whom you paid premiums during the tax year for health insurance coverage under a qualifying arrangement (total from Worksheet 4, column (a))	13 2113
14 Enter the number of FTEs you would have entered on line 2 if you only included employees included on line 13 (from Worksheet 7, line 3)	14 2114
15 Credit for small employer health insurance premiums from partnerships, S corporations, cooperatives, estates, and trusts (see instructions)	15 2115
16 Add lines 12 and 15. Cooperatives, estates, and trusts, go to line 17. Tax-exempt small employers, skip lines 17 and 18 and go to line 19. Partnerships and S corporations, stop here and report this amount on Schedule K. All others, stop here and report this amount on Form 3800, Part III, line 4h	16 2116
17 Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust (see instructions)	17 2117
18 Cooperatives, estates, and trusts, subtract line 17 from line 16. Stop here and report this amount on Form 3800, Part III, line 4h	18 2118 2118V
19 Enter the amount you paid in 2023 for taxes considered payroll taxes for purposes of this credit. See instructions.	19
20 Tax-exempt small employers, enter the smaller of line 16 or line 19 here and on Form 990-T, Part III, line 6f	20
For Paperwork Reduction Act Notice, see separate instructions.	
Cat. No. 37757S	
Form 8941 (2023)	

Exhibit 3.12.14-16 (01-01-2023)**Form 5884-B, New Hire Retention Credit (Field Designators)**

Form 5884-B (December 2010) Department of the Treasury Internal Revenue Service	New Hire Retention Credit ▶ Attach to your tax return. ▶ Use Part II to list additional retained workers.	OMB No. 1545-2202 Attachment Sequence No. 65	
Name(s) shown on return		Identifying number	
<p>A credit of up to \$1,000 is allowed for each retained worker. A retained worker generally is a qualified employee (see instructions) whose first 52 consecutive weeks of employment ended in the current tax year. However, the worker's wages (as defined for income tax withholding purposes) for the second 26 consecutive weeks must equal at least 80% of the worker's wages for the first 26 consecutive weeks.</p>			
Part I New Hire Retention Credit for Retained Workers			
Use a separate column for each retained worker. If you need more columns, use Part II and include the totals on line 10.	(a) Retained Worker No. 1	(b) Retained Worker No. 2	(c) Retained Worker No. 3
1 Enter the retained worker's social security number	1		
2 Enter the first date of employment from the retained worker's Form W-11 or similar statement	2 / / 2010	/ / 2010	/ / 2010
3 Enter the retained worker's wages for the first 26 consecutive weeks of employment	3		
4 Multiply line 3 by 80% (.80)	4		
5 Enter the retained worker's wages for the second 26 consecutive weeks of employment. If line 4 is larger than this amount, the qualified employee is not a retained worker and should not be listed on this form	5		
6 Add lines 3 and 5	6		
7 Multiply line 6 by 6.2% (.062)	7		
8 Maximum credit allowable	8 1,000 00	1,000 00	1,000 00
9 Enter the smaller of line 7 or line 8	9		
10 Add columns (a) through (c) on line 9 above and columns (a) through (c) on lines 9 of any attached Parts II	10	2210	
11 Enter the total number of retained workers for whom you are receiving a credit on line 10 (see instructions)	11 2211		
12 New hire retention credit from partnerships and S corporations (see instructions)	12		
13 Current year credit. Add lines 10 and 12. Partnerships and S corporations, report this amount on Schedule K; all others, report this amount on the applicable line of Form 3800 (e.g., line 1aa of the 2010 Form 3800)	13		

For Paperwork Reduction Act Notice, see instructions. Cat. No. 55035V Form **5884-B** (12-2010)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 395

Exhibit 3.12.14-17 (01-01-2024) Form 3800 (2023)

DRAFT <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;"> Form 3800 <small>Department of the Treasury Internal Revenue Service</small> <small>Name(s) shown on return</small> </div> <div style="text-align: center;"> General Business Credit <small>Go to www.irs.gov/Form3800 for instructions and the latest information. You must include all pages of Form 3800 with your return.</small> </div> <div style="text-align: right;"> <small>OMB No. 1545-0895</small> <div style="font-size: 2em; font-weight: bold;">2023</div> <small>Attachment Sequence No. 22</small> </div> </div>			
<small>Identifying number</small>			
A Corporate Alternative Minimum Tax (CAMT) and Base Erosion Anti-Abuse Tax (BEAT). Are you both (a) an "applicable corporation" within the meaning of IRC 59(k)(1) for the CAMT, and (b) an "applicable taxpayer" within the meaning of IRC 59A(e) for the BEAT? See instructions <input type="checkbox"/> Yes <input type="checkbox"/> No			
Part I Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT) <small>Go to Part III before Parts I and II. See instructions.</small>			
1	General business credit from Part III, line 2, column (e)	1	23001
2	Passive activity credits from Part III, line 2, column (f)	2	23002
3	Enter the applicable passive activity credits allowed for 2023. See instructions	3	23003
4	Carryforward of general business credit to 2023. See instructions for statement to attach Check this box if the carryforward was changed or revised from the original reported amount <input type="checkbox"/>	4	23004
5	Carryback of general business credit from 2024. See instructions	5	23005
6	Add lines 1, 3, 4, and 5	6	
Part II Allowable Credit			
7	Regular tax before credits: <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;"> <ul style="list-style-type: none"> • Individuals. Enter the sum of the amounts from Form 1040, 1040-SR, or 1040-NR, line 16; and Schedule 2 (Form 1040), line 2. • Corporations. Enter the amount from Form 1120, Schedule J, Part I, line 1; or the applicable line of your return. • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, plus any Form 8978 amount included on line 1d; or the amount from the applicable line of your return. </div> <div style="border-left: 1px solid black; padding-left: 10px; flex-grow: 1;"> <div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div> </div> </div>	7	
8	Alternative minimum tax: <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;"> <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 6251, line 11. • Corporations. Enter the amount from Form 4626, Part II, line 13. • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54. </div> <div style="border-left: 1px solid black; padding-left: 10px; flex-grow: 1;"> <div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div> </div> </div>	8	
9	Add lines 7 and 8	9	
10a	Foreign tax credit	10a	
b	Certain allowable credits (see instructions)	10b	2310B
c	Add lines 10a and 10b	10c	
11	Net income tax. Subtract line 10c from line 9. If zero, skip lines 12 through 15 and enter -0- on line 16	11	
12	Net regular tax. Subtract line 10c from line 7. If zero or less, enter -0-	12	
13	Enter 25% (0.25) of the excess, if any, of line 12 (line 11 for corporations) over \$25,000. See instructions	13	
14	Tentative minimum tax: <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;"> <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 6251, line 9. • Corporations. Enter -0-. • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 52. </div> <div style="border-left: 1px solid black; padding-left: 10px; flex-grow: 1;"> <div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div> </div> </div>	14	
15	Enter the greater of line 13 or line 14	15	
16	Subtract line 15 from line 11. If zero or less, enter -0-	16	
17	Enter the smaller of line 6 or line 16 C corporations: See the line 17 instructions if there has been an ownership change, acquisition, or reorganization.	17	
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 12392F Form 3800 (2023) </div>			

Exhibit 3.12.14-17 (Cont. 1) (01-01-2024)
Form 3800 (2023)

DRAFT

Form 3800 (2023)

Page **2****Part II Allowable Credit** *(continued)***Note:** If you are not required to report any amounts on line 22 or 24 below, skip lines 18 through 25 and enter -0- on line 26.

18	Multiply line 14 by 75% (0.75). See instructions	18	
19	Enter the greater of line 13 or line 18	19	
20	Subtract line 19 from line 11. If zero or less, enter -0-	20	
21	Subtract line 17 from line 20. If zero or less, enter -0-	21	
22	Combine the amounts from line 3 of Part III, column (e), and line 2zz of Part IV, columns (e) and (f)	22	23022
23	Passive activity credit from line 3 of Part III, column (f)	23	
24	Enter the applicable passive activity credit allowed for 2023. See instructions	24	23024
25	Add lines 22 and 24	25	
26	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 21 or line 25	26	
27	Subtract line 13 from line 11. If zero or less, enter -0-	27	
28	Add lines 17 and 26	28	23028
29	Subtract line 28 from line 27. If zero or less, enter -0-	29	23029>
30	Enter the general business credit from line 5 of Part III, column (e)	30	23030
31	Reserved	31	
32	Passive activity credits from line 5 of Part III, column (f)	32	23032
33	Enter the applicable passive activity credits allowed for 2023. See instructions	33	23033
34	Carryforward of business credit to 2023. Enter the amount from line 5 of Part IV, column (f), and line 6 of Part IV, column (g). See instructions for statement to attach Check this box if the carryforward was changed or revised from the original reported amount . . . <input type="checkbox"/>	34	23034
35	Carryback of business credit from 2024. Enter the amount from line 5 of Part IV, column (e). See instructions	35	23035
36	Add lines 30, 33, 34, and 35	36	23036>
37	Enter the smaller of line 29 or line 36	37	23037>
38	Credit allowed for the current year. Add lines 28 and 37. Report the amount from line 38 (if smaller than the sum of Part I, line 6, and Part II, lines 25 and 36; see instructions) as indicated below or on the applicable line of your return. <ul style="list-style-type: none"> • Individuals. Schedule 3 (Form 1040), line 6. • Corporations. Form 1120, Schedule J, Part I, line 5c. • Estates and trusts. Form 1041, Schedule G, line 2b. 	38	23038>

Form **3800** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 397

Exhibit 3.12.14-17 (Cont. 2) (01-01-2024)

Form 3800 (2023)

DRAFT
Form 3800 (2023) Page **3**

Part III **Current Year General Business Credits (GBCs)** (see instructions). If there is more than one credit amount to report on lines 1a through 1zz, 3, or 4a through 4z, enter the number of items you have for that line in column (c) and complete Part V.

(a) Current year credits from:	(b) Elective payment or transfer registration number	(c) # items	(d) Pass-through or transfer credit entity EIN	(e) Credits from non-passive activities	(f) Current year and carryover passive activity credit	(g) Credit transfer election amount (enter amounts transferred out as a negative amount)	(h) Gross elective payment election amount	(i) Net elective payment election amount	(j) Combine columns (e), (f), and (g), less column (i)
1a Form 3468, Part II									2301A
b Form 7207	231BB					231BG	231BH	231BI	231BJ
c Form 6765									2301C
d Form 3468, Part III	231DB					231DG	231DH	231DI	231DJ
e Form 8826									2301E
f Form 8835, Part II	231FB					231FG			231FJ
g Form 7210	231GB					231GG	231GH	231GI	231GJ
h Form 8820									2301H
i Form 8874									2301I
j Form 8881, Part I									2301J
k Form 8882									2301K
l Form 8864 (diesel)									2301L
m Form 8896									2301M
n Form 8906									2301N
o Form 3468, Part IV	241OB						241OH	241OI	241OJ
p Form 8908									2401P
q Reserved (45Z)									
r Form 8910									2401R
s Form 8911, Part II	241SB					241SG	241SH	241SI	241SJ
t Form 8830									2401T
u Form 7213, Part II	241UB					241UG	241UH	241UI	241UJ
v Form 3468, Part V									
w Form 8932									2401W
x Form 8933	241XB					241XG	241XH	241XI	241XJ
y Form 8936, Part II									2401Y
z Reserved									
aa Form 8936, Part V	25AAB						25AAH	25AAI	25AAJ
bb Form 8904									25BBJ
cc Form 7213, Part I									251CC
dd Form 8881, Part II									251DD
ee Form 8881, Part III									251EE
ff Form 8864, line 8									251FF
gg Reserved (1gg)									
hh Reserved (1hh)									
ii Reserved (1ii)									
jj Reserved (1jj)									
zz Other credits									251ZZ
2 Add lines 1a through 1zz									

Form **3800** (2023)

Exhibit 3.12.14-17 (Cont. 3) (01-01-2024)
Form 3800 (2023)

DRAFT

Form 3800 (2023)

Page **4**

Part III **Current Year General Business Credits (GBCs)** (see instructions). If there is more than one credit amount to report on lines 1a through 1zz, 3, or 4a through 4z, enter the number of items you have for that line in column (c) and complete Part V. *(continued)*

	(a) Current year credits from:	(b) Elective payment or transfer registration number	(c) # items	(d) Pass-through or transfer credit entity EIN	(e) Credits from non-passive activities	(f) Current year and carryover passive activity credit	(g) Credit transfer election amount (enter amounts transferred out as a negative amount)	(h) Gross elective payment election amount	(i) Net elective payment election amount	(j) Combine columns (e), (f), and (g), less column (i)
3	Form 8844									
4	Specified credits:									
a	Form 3468, Part VI	254AB					254AG	254AH	254AI	254AJ
b	Form 5884									2504B
c	Form 6478									2504C
d	Form 8586									2504D
e	Form 8835, Part II	254EB					254EG	254EH	254EI	254EJ
f	Form 8846									2504F
g	Form 8900									2504G
h	Form 8941									2504H
i	Form 6765 ESB credit									2504I
j	Form 8994									2504J
k	Form 3468, Part VII									2504K
l	Reserved (4l)									
m	Reserved (4m)									
z	Other specified credits									2504Z
5	Add lines 4a through 4z									
6	Add lines 2, 3, and 5									

Form 3800 (2023)

25IND

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 399

Exhibit 3.12.14-18 (01-26-2023)

Form 3800 (2022)

Form 3800 Department of the Treasury Internal Revenue Service	General Business Credit Go to www.irs.gov/Form3800 for instructions and the latest information. You must attach all pages of Form 3800, pages 1, 2, and 3, to your tax return.	OMB No. 1545-0895 2022 Attachment Sequence No. 22
Name(s) shown on return		Identifying number

Part I Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)		
(See instructions and complete Part(s) III before Parts I and II.)		
1	General business credit from line 2 of all Parts III with box A checked	1 23001
2	Passive activity credits from line 2 of all Parts III with box B checked	2 23002
3	Enter the applicable passive activity credits allowed for 2022. See instructions	3 23003
4	Carryforward of general business credit to 2022. Enter the amount from line 2 of Part III with box C checked. See instructions for statement to attach	4 23004
	Check this box if the carryforward was changed or revised from the original reported amount <input type="checkbox"/>	
5	Carryback of general business credit from 2023. Enter the amount from line 2 of Part III with box D checked. See instructions	5 23005
6	Add lines 1, 3, 4, and 5	6

Part II Allowable Credit		
7	Regular tax before credits: • Individuals. Enter the sum of the amounts from Form 1040, 1040-SR, or 1040-NR, line 16, and Schedule 2 (Form 1040), line 2. • Corporations. Enter the amount from Form 1120, Schedule J, Part I, line 2; or the applicable line of your return. • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, plus any Form 8978 amount included on line 1d; or the amount from the applicable line of your return.	7
8	Alternative minimum tax: • Individuals. Enter the amount from Form 6251, line 11. • Corporations. Enter -0-. • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54.	8
9	Add lines 7 and 8	9
10a	Foreign tax credit	10a
b	Certain allowable credits (see instructions)	10b 2310B
c	Add lines 10a and 10b	10c
11	Net income tax. Subtract line 10c from line 9. If zero, skip lines 12 through 15 and enter -0- on line 16	11
12	Net regular tax. Subtract line 10c from line 7. If zero or less, enter -0-	12
13	Enter 25% (0.25) of the excess, if any, of line 12 over \$25,000. See instructions	13
14	Tentative minimum tax: • Individuals. Enter the amount from Form 6251, line 9. • Corporations. Enter -0-. • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 52.	14
15	Enter the greater of line 13 or line 14	15
16	Subtract line 15 from line 11. If zero or less, enter -0-	16 2316B
17	Enter the smaller of line 6 or line 16	17
C corporations: See the line 17 instructions if there has been an ownership change, acquisition, or reorganization.		

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 12392F Form 3800 (2022)

ERS Only Input field for prior years.

Exhibit 3.12.14-18 (Cont. 1) (01-26-2023)
Form 3800 (2022)

Form 3800 (2022)		Page 2
Part II Allowable Credit (continued)		
Note: If you are not required to report any amounts on line 22 or 24 below, skip lines 18 through 25 and enter -0- on line 26.		
18	Multiply line 14 by 75% (0.75). See instructions	18
19	Enter the greater of line 13 or line 18	19
20	Subtract line 19 from line 11. If zero or less, enter -0-	20
21	Subtract line 17 from line 20. If zero or less, enter -0-	21
22	Combine the amounts from line 3 of all Parts III with box A, C, or D checked	22 23022
23	Passive activity credit from line 3 of all Parts III with box B checked 23	
24	Enter the applicable passive activity credit allowed for 2022. See instructions	24 23024
25	Add lines 22 and 24	25
26	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 21 or line 25	26
27	Subtract line 13 from line 11. If zero or less, enter -0-	27
28	Add lines 17 and 26	28 23028
29	Subtract line 28 from line 27. If zero or less, enter -0-	29 23029>
30	Enter the general business credit from line 5 of all Parts III with box A checked	30 23030
31	Reserved	31
32	Passive activity credits from line 5 of all Parts III with box B checked 32 23032	
33	Enter the applicable passive activity credits allowed for 2022. See instructions	33 23033
34	Carryforward of business credit to 2022. Enter the amount from line 5 of Part III with box C checked and line 6 of Part III with box G checked. See instructions for statement to attach Check this box if the carryforward was changed or revised from the original reported amount . . . <input type="checkbox"/>	34 23034
35	Carryback of business credit from 2023. Enter the amount from line 5 of Part III with box D checked. See instructions	35 23035
36	Add lines 30, 33, 34, and 35	36 23036>
37	Enter the smaller of line 29 or line 36	37 23037>
38	Credit allowed for the current year. Add lines 28 and 37. Report the amount from line 38 (if smaller than the sum of Part I, line 6, and Part II, lines 25 and 36, see instructions) as indicated below or on the applicable line of your return. <ul style="list-style-type: none"> • Individuals. Schedule 3 (Form 1040), line 6. • Corporations. Form 1120, Schedule J, Part I, line 5c. • Estates and trusts. Form 1041, Schedule G, line 2b. 	38 23038>

Form **3800** (2022)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 401

Exhibit 3.12.14-18 (Cont. 2) (01-26-2023)

Form 3800 (2022)

Form 3800 (2022)		Page 3
Name(s) shown on return		Identifying number
Part III General Business Credits or Eligible Small Business Credits (see instructions)		
Complete a separate Part III for each box checked below. See instructions.		
A <input type="checkbox"/> General Business Credit From a Non-Passive Activity	E <input type="checkbox"/> Reserved	
B <input type="checkbox"/> General Business Credit From a Passive Activity	F <input type="checkbox"/> Reserved	
C <input type="checkbox"/> General Business Credit Carryforwards	G <input type="checkbox"/> Eligible Small Business Credit Carryforwards	
D <input type="checkbox"/> General Business Credit Carrybacks	H <input type="checkbox"/> Reserved	
I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III <input type="checkbox"/>		
(a) Description of credit		
Note: On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) Enter EIN if claiming the credit from a pass-through entity.
(c) Enter the appropriate amount.		
1a Investment (Form 3468, Part II only) (attach Form 3468)	1a	
b Reserved	1b	
c Increasing research activities (Form 6765)	1c	2301A
d Low-income housing (carryforward only) (see instructions)	1d	2301B
e Disabled access (Form 8826)*.	1e	2301C
f Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f	2301D
g Indian employment (Form 8845)	1g	2301E
h Orphan drug (Form 8820)	1h	2401F
i New markets (Form 8874)	1i	2401G
j Small employer pension plan startup costs and auto-enrollment (Form 8881)	1j	2401H
k Employer-provided child care facilities and services (Form 8882)*.	1k	2401I
l Biodiesel and renewable diesel fuels (attach Form 8864)	1l	2401J
m Low sulfur diesel fuel production (Form 8896)	1m	2401K
n Distilled spirits (Form 8906)	1n	2401L
o Nonconventional source fuel (carryforward only)	1o	2401M
p Energy efficient home (Form 8908)	1p	2401N
q Energy efficient appliance (carryforward only)	1q	2401O
r Alternative motor vehicle (Form 8910)	1r	2401P
s Alternative fuel vehicle refueling property (Form 8911)	1s	2401Q
t Enhanced oil recovery credit (Form 8830)	1t	2401R
u Mine rescue team training (Form 8923)	1u	2401S
v Agricultural chemicals security (carryforward only)	1v	2401T
w Employer differential wage payments (Form 8932)	1w	2401U
x Carbon oxide sequestration (Form 8933)	1x	2401V
y Qualified plug-in electric drive motor vehicle (Form 8936)	1y	2401W
z Qualified plug-in electric vehicle (carryforward only)	1z	
aa Employee retention (Form 5884-A)	1aa	
bb General credits from an electing large partnership (carryforward only)	1bb	
zz Other. Oil and gas production from marginal wells (Form 8904) and certain other credits (see instructions)	1zz	251AA 251BB
2 Add lines 1a through 1zz and enter here and on the applicable line of Part I	2	
3 Enter the amount from Form 8844 here and on the applicable line of Part II	3	251ZZ
4a Investment (Form 3468, Part III) (attach Form 3468)	4a	
b Work opportunity (Form 5884)	4b	
c Biofuel producer (Form 6478)	4c	2504A
d Low-income housing (Form 8586)	4d	2504B
e Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e	2504C
f Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f	2504D
g Qualified railroad track maintenance (Form 8900)	4g	2504E
h Small employer health insurance premiums (Form 8941)	4h	2504F
i Increasing research activities (Form 6765)	4i	
j Employer credit for paid family and medical leave (Form 8994)	4j	2504H
z Other	4z	
5 Add lines 4a through 4z and enter here and on the applicable line of Part II	5	
6 Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6	2504Z

* See instructions for limitation on this credit.

Form **3800** (2022)

Exhibit 3.12.14-19 (01-01-2023)
Form 8960

DRAFT

Form **8960**
 Department of the Treasury
 Internal Revenue Service

**Net Investment Income Tax—
 Individuals, Estates, and Trusts**
 Attach to your tax return.
 Go to www.irs.gov/Form8960 for instructions and the latest information.

OMB No. 1545-2227

2023Attachment
Sequence No. **72**

Name(s) shown on your tax return

Your social security number or EIN

Part I Investment Income

- ☐ Section 6013(g) election (see instructions)
☐ Section 6013(h) election (see instructions)
☐ Regulations section 1.1411-10(g) election (see instructions)

2800A

1	Taxable interest (see instructions)	1	28001
2	Ordinary dividends (see instructions)	2	28002
3	Annuities (see instructions)	3	28003
4a	Rental real estate, royalties, partnerships, S corporations, trusts, trades or businesses, etc. (see instructions)	4a	2804A
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b	2804B
c	Combine lines 4a and 4b	4c	2804C>
5a	Net gain or loss from disposition of property (see instructions)	5a	2805A
b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b	2805B
c	Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c	2805C
d	Combine lines 5a through 5c	5d	2805D>
6	Adjustments to investment income for certain CFCs and PFICs (see instructions)	6	28006
7	Other modifications to investment income (see instructions)	7	28007
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7	8	28008

Part II Investment Expenses Allocable to Investment Income and Modifications

9a	Investment interest expenses (see instructions)	9a	2809A
b	State, local, and foreign income tax (see instructions)	9b	2809B
c	Miscellaneous investment expenses (see instructions)	9c	2809C
d	Add lines 9a, 9b, and 9c	9d	2809D>
10	Additional modifications (see instructions)	10	28010
11	Total deductions and modifications. Add lines 9d and 10	11	28011

Part III Tax Computation

12	Net investment income. Subtract Part II, line 11, from Part I, line 8. Individuals, complete lines 13–17. Estates and trusts, complete lines 18a–21. If zero or less, enter -0-	12	28012>
Individuals:			
13	Modified adjusted gross income (see instructions)	13	
14	Threshold based on filing status (see instructions)	14	
15	Subtract line 14 from line 13. If zero or less, enter -0-	15	
16	Enter the smaller of line 12 or line 15	16	
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	17	
Estates and Trusts:			
18a	Net investment income (line 12 above)	18a	
b	Deductions for distributions of net investment income and charitable deductions (see instructions)	18b	2818B
c	Undistributed net investment income. Subtract line 18b from line 18a (see instructions). If zero or less, enter -0-	18c	2818C>
19a	Adjusted gross income (see instructions)	19a	2819A
b	Highest tax bracket for estates and trusts for the year (see instructions)	19b	2819B>
c	Subtract line 19b from line 19a. If zero or less, enter -0-	19c	2819C>
20	Enter the smaller of line 18c or line 19c	20	28020
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	21	28021

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 59474M

Form **8960** (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 403

Exhibit 3.12.14-20 (01-01-2022)
Form 8997

DRAFT

Form **8997**

Department of the Treasury
Internal Revenue Service

Name _____

**Initial and Annual Statement of
Qualified Opportunity Fund (QOF) Investments**

Attach to your tax return.
Go to www.irs.gov/Form8997 for the latest information.

OMB No. 1545-0123

2023

Attachment
Sequence No. **997**

Tax identification number (see instructions) _____

Part I Total QOF Investment Holdings Due to Deferrals Prior to Beginning of Tax Year
If different from last year's ending QOF investment holdings, attach explanation.

(a) Qualified Opportunity Fund (QOF) EIN	(b) Date QOF investment acquired (MM/DD/YYYY)	(c) Description of QOF investment (for example, 100 shares or 25% interest)	(d) Special gain code	Deferred gain held in QOF		
				(e) Amount of short-term deferred gain remaining in QOF	(f) Amount of long-term deferred gain remaining in QOF	
261A	261B		261D	261E	261F	261N
1 Enter the totals, if any, from continuation sheet						
2 Enter the totals from columns (e) and (f)				2612E	2612F	

Part II Current Tax Year Capital Gains Deferred by Investing in QOF

(a) Qualified Opportunity Fund (QOF) EIN	(b) Date QOF investment acquired (MM/DD/YYYY)	(c) Description of interest acquired (for example, 100 shares or 25% interest)	(d) Special gain code	Deferred gain invested in QOF		
				(e) Amount of short-term deferred gain remaining in QOF	(f) Amount of long-term deferred gain remaining in QOF	
262A	262B		262D	262E	262F	262N
1 Enter the totals, if any, from continuation sheet						
2 Enter the totals from columns (e) and (f). See instructions for reporting on Form 8949 .				2622E	2622F	

Applicability of Special Rules Regarding the Waiver of Certain Treaty Benefits

Are you a foreign eligible taxpayer? See instructions for more information.

☐ **Yes.** You may not elect to defer tax on an eligible gain by investing in a QOF unless you check "Yes" in response to the next question.

☐ **No.** Skip the next question and go to Part III.

Waiver of Treaty Benefits on Future Inclusions by a Foreign Eligible Taxpayer

Do you hereby irrevocably waive any benefits available under an applicable U.S. income tax convention that would exempt gains that you are deferring by investing in a QOF from being subject to federal income tax at the time of inclusion? See instructions for more information.

☐ **Yes.** Report the deferral of the eligible gain in Part II and on Form 8949.

☐ **No.** You may not elect to defer tax on an eligible gain by investing in a QOF. Do not report the deferral of any otherwise eligible gain in Part II or on Form 8949.

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 37821R

Form **8997** (2023)

Exhibit 3.12.14-20 (Cont. 1) (01-01-2022)

Form 8997

DRAFT

Form 8997 (2023)

Page 2

Part III Inclusion Events and Certain Other Transfers During the Current Tax Year

(a) Qualified Opportunity Fund (QOF) EIN	(b) Date of event (MM/DD/YYYY)	(c) Description of event (for example, sale of 100 shares, gift of 25% interest, or distribution of \$1,000, etc.)	(d) Special gain code	Deferred gain included due to disposition of QOF interest		
				(e) Amount of previously deferred short-term gain now included in taxable income	(f) Amount of previously deferred long-term gain now included in taxable income	
263A	263B		263D	263E	263F	263N
1 Enter the totals, if any, from continuation sheet						
2 Enter the totals from columns (e) and (f). See instructions for reporting on Form 8949 .				2632E	2632F	

☐ Check this box if you disposed of any investment(s) and didn't receive a Form 1099-B reporting the disposition from the QOF or other third party. See the Instructions for Form 8949 for reporting requirements of any gain or loss.

Part IV Total QOF Investments Due to Deferrals at Year End (see instructions)

(a) Qualified Opportunity Fund (QOF) EIN	(b) Date QOF investment acquired (MM/DD/YYYY)	(c) Description of interest acquired (for example, 100 shares or 25% interest)	(d) Special gain code	Deferred gain invested in QOF investment		
				(e) Amount of short-term deferred gain invested in QOF	(f) Amount of long-term deferred gain invested in QOF	
264A	264B		264D	264E	264F	264N
1 Enter the totals, if any, from continuation sheet						
2 Enter the totals from columns (e) and (f)				2642E	2642F	

Form 8997 (2023)

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 405

Exhibit 3.12.14-21 (01-01-2024)

Form 1041-N (2023)

MFT 05		Program code 11910		
DRAFT	Form 1041-N (Rev. December 2023)	U.S. Income Tax Return for Electing Alaska Native Settlement Trusts		
	Department of the Treasury Internal Revenue Service	Go to www.irs.gov/Form1041N for instructions and the latest information.		
		01TXP		
		OMB No. 1545-1776		
For calendar year or short year beginning , 20 , and ending , 20 .				
Part I General Information				
1 Name of trust		2 Employer identification number		
01NC		01EIN		
3a Name and title of trustee		4 Name of sponsoring Alaska Native Corporation		
02CON				
3b Number, street, and room or suite no. (If a P.O. box, see the instructions.)				
02FAD 02ADD				
3c City or town, state, and ZIP code				
02CTY 02ST 02ZIP				
5 Was Form 1041 filed in the prior year? 01QNT				
<input type="checkbox"/> Yes <input type="checkbox"/> No				
6 Check applicable boxes: <input type="checkbox"/> Amended return <input type="checkbox"/> Final return <input type="checkbox"/> Change in fiduciary's name <input type="checkbox"/> Change in fiduciary's address				
Part II Tax Computation				
Income	1a Interest income	01CCC	1a 0401	
	b Tax-exempt interest. Don't include on line 1a		1b	
	2a Total ordinary dividends		2a 042A	
	b Qualified dividends (see instructions)		2b 042B2	
	3 Capital gain or (loss) (Schedule D)		3 0404	
	4 Other income. List type and amount		4 0408	
	5 Total income. Combine lines 1a, 2a, 3, and 4		5 0409	
	6 Taxes	01RCD	6 0411	
	7 Trustee fees		7 0412	
	8 Attorney, accountant, and return preparer fees		8 0414	
	9 Other deductions (attach schedule)		9 0415A	
	10 Reserved for future use		10	
Deductions	11 Exemption (see instructions)		11 04NEX	
	12 Total deductions. Add lines 6 through 11		12 0416	
	13 Taxable income. Subtract line 12 from line 5		13 0422	
	14 Tax. If line 13 is a (loss), enter -0-. Otherwise, see the instructions and check the applicable box: <input type="checkbox"/> Multiply line 13 by 10% (0.10) or <input type="checkbox"/> Schedule D		14 05QTX	
Tax and Payments	15 Credits (see instructions). Specify		15 05QC	
	16 Total tax. Subtract line 15 from line 14. See instructions	05MCT	16 0524	
	17 Current year net 965 tax liability paid from Form 965-A, Part II, column (k) (see instructions)		17 0525	
	18 Payments. See instructions		18 0526	
	19 Elective payment election amount from Form 3800		19 05EPE	
	20 Tax due. If the total of lines 18 and 19 is smaller than the total of lines 16 and 17, enter amount owed		20 05B/D+	
	21 Overpayment. If the total of lines 18 and 19 is larger than the total of lines 16 and 17, enter amount overpaid		21 05B/D-	
	22 Amount of line 21 to be: a Credited to next year's estimated tax 0530A b Refunded		22 0530B	
	Part III Other Information			
	1 During the tax year, did the trust receive property or an assignment of income from an Alaska Native Corporation? If "Yes," see the instructions for the required attachments		Yes No	
2 During the year, did the trust receive a distribution from, or was it the grantor of, or the transferor to, a foreign trust?				
3 At any time during the calendar year, did the trust have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country				
4 Was the trust a specified domestic entity required to file Form 8938 for the tax year? See Instructions for Form 8938				
5 To make a section 643(e)(3) election, complete Schedule D and check here. See instructions <input type="checkbox"/>				
Sign Here	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. Declaration of preparer (other than trustee) is based on all information of which preparer has any knowledge. Also, under section 646(c)(2) of the Internal Revenue Code, if this is the initial Form 1041-N filed for the above-named Alaska Native Settlement Trust, signing and filing this return will serve as the statement by the trustee electing to treat such trust as an Electing Alaska Native Settlement Trust.			
	Signature of trustee or officer representing trustee Date 01CBI			
Paid Preparer Use Only	Print/Type preparer's name Preparer's signature Date		Check <input type="checkbox"/> if self-employed PTIN 01PSN	
	Firm's name		Firm's EIN 01PEN	
	Firm's address		Phone no. 01PTN	
For Paperwork Reduction Act Notice, see the Instructions for Form 1041-N. Cat. No. 32234Q Form 1041-N (Rev. 12-2023)				

Exhibit 3.12.14-22 (01-01-2021)
Form 1041-N (2019)

MFT 05 Program code 11910		U.S. Income Tax Return for Electing Alaska Native Settlement Trusts		01TXP OMB No. 1545-1776
Form 1041-N (Rev. December 2019) Department of the Treasury Internal Revenue Service		▶ Go to www.irs.gov/Form1041N for instructions and the latest information.		
For calendar year _____ or short year beginning _____, 20____, and ending _____, 20____.				
Part I General Information				
1 Name of trust		2 Employer identification number		
01NC		01EIN		
3a Name and title of trustee		4 Name of sponsoring Alaska Native Corporation		
02CON				
3b Number, street, and room or suite no. (If a P.O. box, see the instructions.)				
02FAD		02ADD		
3c City or town, state, and ZIP code		5 Was Form 1041 filed in the prior year?		
02CTY 02ST 02ZIP		<input type="checkbox"/> Yes 01QNT <input type="checkbox"/> No		
6 Check applicable boxes: <input type="checkbox"/> Amended return <input type="checkbox"/> Final return <input type="checkbox"/> Change in fiduciary's name <input type="checkbox"/> Change in fiduciary's address				
Part II Tax Computation				
Income	1a Interest income	01CCC	1a	0401 01RPC
	b Tax-exempt interest. Don't include on line 1a		1b	
	2a Total ordinary dividends		2a	042A
	b Qualified dividends (see instructions)		2b	042B2
	3 Capital gain or (loss) (Schedule D)		3	0404
Income	4 Other income. List type and amount ▶		4	0408
	5 Total income. Combine lines 1a, 2a, 3, and 4		5	0409
	6 Taxes	01RCD	6	0411
	7 Trustee fees		7	0412
	8 Attorney, accountant, and return preparer fees		8	0414
Ded	9 Other deductions (attach schedule)		9	0415A
	10 Reserved for future use		10	
	11 Exemption (see instructions)		11	0415A
	12 Total deductions. Add lines 6 through 11		12	0416 0421
	13 Taxable income. Subtract line 12 from line 5		13	0422
Tax and Payments	14 Tax. If line 13 is a (loss), enter -0-. Otherwise, see the instructions and check the applicable box: <input type="checkbox"/> Multiply line 13 by 10% (0.10) or <input type="checkbox"/> Schedule D		14	05QTX
	15 Credits (see instructions). Specify ▶		15	05QC
	16 Subtract line 15 from line 14	5MCT	16	
	17 Reserved for future use		17	
	18 Total tax. Add line 16 and line 17. See instructions		18	0523
	19 Current year net 965 tax liability paid from Form 965-A, Part II, column (k) (see instructions)		19	0524
	20 Payments. See instructions		20	0525
	21 Tax due. If line 20 is smaller than the total of lines 18 and 19, enter amount owed		21	05B/D+
	22 Overpayment. If line 20 is larger than the total of lines 18 and 19, enter amount overpaid		22	05B/D-
	23 Amount of line 22 to be: a Credited to next year's estimated tax ▶ 0523A b Refunded ▶ 0523B-		23	
Part III Other Information				
1 During the tax year, did the trust receive property or an assignment of income from an Alaska Native Corporation? If "Yes," see the instructions for the required attachments				Yes No
2 During the year, did the trust receive a distribution from, or was it the grantor of, or the transferor to, a foreign trust?				Yes No
3 At any time during the calendar year, did the trust have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶				Yes No
4 Was the trust a specified domestic entity required to file Form 8938 for the tax year? See Instructions for Form 8938				Yes No
5 To make a section 643(e)(3) election, complete Schedule D and check here. See instructions				Yes No
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. Declaration of preparer (other than trustee) is based on all information of which preparer has any knowledge. Also, under section 646(c)(2) of the Internal Revenue Code, if this is the initial Form 1041-N filed for the above-named Alaska Native Settlement Trust, signing and filing this return will serve as the statement by the trustee electing to treat such trust as an Electing Alaska Native Settlement Trust.				
Sign Here	Signature of trustee or officer representing trustee		Date	01CBI
	May the IRS discuss this return with the preparer shown below? See instr. <input type="checkbox"/> Yes <input type="checkbox"/> No			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶	01PSN	
	Firm's address ▶	Phone no.	01PEN 01PTN	
For Paperwork Reduction Act Notice, see the Instructions for Form 1041-N. Cat. No. 32234Q Form 1041-N (Rev. 12-2019)				

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Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 407

Exhibit 3.12.14-23 (01-01-2024)

Form 1041-QFT (2023)

DRAFT	MFT 05	Program Code 11910			
	Form 1041-QFT	U.S. Income Tax Return for Qualified Funeral Trusts	OMB No. 1545-1593		
	Department of the Treasury Internal Revenue Service	01TXP	2023		
	Go to www.irs.gov/Form1041QFT for instructions and the latest information.				
For calendar year 2023 or short year beginning _____, 2023, and ending _____, 2023.					
Part I General Information					
1 Name of trust or other entity filing return		2 Employer identification number (EIN)			
01NC		01EIN			
3a Name and title of trustee					
02CON					
3b Number, street, and room or suite no. (If a P.O. box, see the instructions.)					
02FAD		02ADD			
3c City or town, state, and ZIP code		4 Number of QFTs included on this return			
02CTY		02ST	02ZIP	01QNT	
5 Check applicable boxes: <input type="checkbox"/> Initial return <input type="checkbox"/> Amended return <input type="checkbox"/> Final return <input type="checkbox"/> Change in the fiduciary or fiduciary's name <input type="checkbox"/> Change in fiduciary's address					
Part II Tax Computation					
Income	1a Interest income	0 1CCC	1a	0401	01RPC
	b Tax-exempt interest. Don't include on line 1a	1b			
	2a Total ordinary dividends		2a	042A	
	b Qualified dividends	2b	042B2		
	3 Capital gain or (loss) (attach Schedule D (Form 1041))		3	0404	
	4 Other income. List type and amount		4	0408	
	5 Total income. Combine lines 1a, 2a, 3, and 4		5	0409	
Deductions		01RCD			
	6 Taxes		6	0411	
	7 Trustee fees		7	0412	
	8 Attorney, accountant, and return preparer fees		8	0414	
	9 Other deductions		9	0415A	
	10 Total deductions. Add lines 6 through 9		10	0415C	
Tax and Payments	11 Taxable income. Subtract line 10 from line 5		11	0422	
	12 Tax. (If this is a composite return, check here <input type="checkbox"/>)		12	05QTX	
	13 Credits (see instructions). Specify the credits claimed		13	05QC	
	14 Subtract line 13 from line 12		14		
	15 Net Investment Income Tax from Form 8960, line 21		15	05G04	
	16 Total tax. Add lines 14 and 15	05MCT	16	0523	
	17 Payments (see instructions)		17	0525	
	18 Elective payment election amount from Form 3800		18	05EPE	
	19 Tax due. If the total of lines 17 and 18 is smaller than line 16, enter amount owed		19	05B/D+	
	20 Overpayment. If the total of lines 17 and 18 is larger than line 16, enter amount overpaid		20	05B/D-	
	21 Amount of line 20 to be: a Credited to 2024 estimated tax	0530A	b Refunded	21	0530B
Sign Here 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. Declaration of preparer (other than trustee) is based on all information of which preparer has any knowledge. Signature of trustee or officer representing trustee _____ Date _____ 01CBI May the IRS discuss this return with the preparer shown below? See instr. <input type="checkbox"/> Yes <input type="checkbox"/> No					
Paid Preparer Use Only Print/Type preparer's name _____ Preparer's signature _____ Date _____ Check <input type="checkbox"/> if self-employed PTIN 01PSN Firm's name _____ Firm's EIN 01PEN Firm's address _____ Phone no. 01PTN					
For Paperwork Reduction Act Notice, see instructions. Cat. No. 25368F Form 1041-QFT (2023)					

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Exhibit 3.12.14-24 (01-01-2023)
Form 1041-QFT (2022)

MFT 05		Program Code 11910	
Form 1041-QFT		U.S. Income Tax Return for Qualified Funeral Trusts	
Department of the Treasury Internal Revenue Service		Go to www.irs.gov/Form1041QFT for the latest information. 01TXP	
		OMB No. 1545-1593	
		2022	
For calendar year 2022 or short year beginning _____, 2022, and ending _____, 2022.			
Part I General Information			
1 Name of trust or other entity filing return 01NC		2 Employer identification number (EIN) 01EIN	
3a Name and title of trustee			
3b Number, street, and room or suite no. (If a P.O. box, see the instructions.)			
02CON		02FAD	
02ADD			
3c City or town, state, and ZIP code 02CTY		4 Number of QFTs included on this return 01QNT	
02ST		02ZIP	
5 Check applicable boxes: <input type="checkbox"/> Initial return <input type="checkbox"/> Amended return <input type="checkbox"/> Final return <input type="checkbox"/> Change in the fiduciary or fiduciary's name <input type="checkbox"/> Change in fiduciary's address			
Part II Tax Computation			
Income	1a Interest income 01CCC	1a 0401	01RPC
	b Tax-exempt interest. Don't include on line 1a 1b	2a 042A	
	2a Total ordinary dividends 2b 042B2	3 0404	
	b Qualified dividends 2b 042B2	4 0408	
	3 Capital gain or (loss) (attach Schedule D (Form 1041))		
4 Other income. List type and amount			
5 Total income. Combine lines 1a, 2a, 3, and 4 01RCD	5 0409		
Deductions	6 Taxes	6 0411	
	7 Trustee fees	7 0412	
	8 Attorney, accountant, and return preparer fees	8 0414	
	9 Other deductions	9 0415A	
10 Total deductions. Add lines 6 through 9	10 0416	04MID	
Tax and Payments	11 Taxable income. Subtract line 10 from line 5	11 0423	
	12 Tax. (If this is a composite return, check here <input type="checkbox"/>)	12 05QTX	
	13 Credits (see instructions). Specify the credits claimed	13 05QC	
	14 Subtract line 13 from line 12	14	
	15 Net Investment Income Tax from Form 8960, line 21	15 05G05	
	16 Total tax. Add lines 14 and 15 05MCT	16 0524	
	17 Payments (see instructions)	17 0526	
	18 Tax due. If line 17 is smaller than line 16, enter amount owed	18 05B/D+	
	19 Overpayment. If line 17 is larger than line 16, enter amount overpaid	19 05B/D-	
	20 Amount of line 19 to be: a Credited to 2023 estimated tax 0530A b Refunded	20 0530B	
Sign Here 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. Declaration of preparer (other than trustee) is based on all information of which preparer has any knowledge.			
Signature of trustee or officer representing trustee _____ Date _____			
May the IRS discuss this return with the preparer shown below? See instr. <input type="checkbox"/> Yes <input type="checkbox"/> No			
Paid Preparer Use Only Print/Type preparer's name _____ Preparer's signature _____ Date _____		Check <input type="checkbox"/> if self-employed PTIN 01PSN 01CBI	
Firm's name _____ Firm's EIN 01PEN		Phone no. 01PTN	
Firm's address _____			
For Paperwork Reduction Act Notice, see instructions. Cat. No. 25368F Form 1041-QFT (2022)			

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Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 409

Exhibit 3.12.14-25 (01-01-2023) Schedule K-1 (2023)

DRAFT

Schedule K-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

2023

For calendar year 2023, or tax year

beginning / / 2023 ending / /

Beneficiary's Share of Income, Deductions, Credits, etc.

See back of form and instructions.

661117

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0092

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

B Estate's or trust's name

C Fiduciary's name, address, city, state, and ZIP code

INFORMATION ONLY

D ☐ Check if Form 1041-T was filed and enter the date it was filed

E ☐ Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

G Beneficiary's name, address, city, state, and ZIP code

H ☐ Domestic beneficiary ☐ Foreign beneficiary

Part III Beneficiary's Share of Current Year Income, Deductions, Credits, and Other Items

<p>1 Interest income</p> <p>2a Ordinary dividends</p> <p>2b Qualified dividends</p> <p>3 Net short-term capital gain</p> <p>4a Net long-term capital gain</p> <p>4b 28% rate gain</p> <p>4c Unrecaptured section 1250 gain</p> <p>5 Other portfolio and nonbusiness income</p> <p>6 Ordinary business income</p> <p>7 Net rental real estate income</p> <p>8 Other rental income</p> <p>9 Directly apportioned deductions</p> <p>10 Estate tax deduction</p>	<p>11 Final year deductions</p> <p>12 Alternative minimum tax adjustment</p> <p>13 Credits and credit recapture</p> <p>14 Other information</p>
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* See attached statement for additional information.
Note: A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. www.irs.gov/Form1041 Cat. No. 11380D Schedule K-1 (Form 1041) 2023

Exhibit 3.12.14-26 (01-01-2022)

Error Code 026 Flowchart - Error Correction Procedures

1041 Error Code 026 Correction Procedures

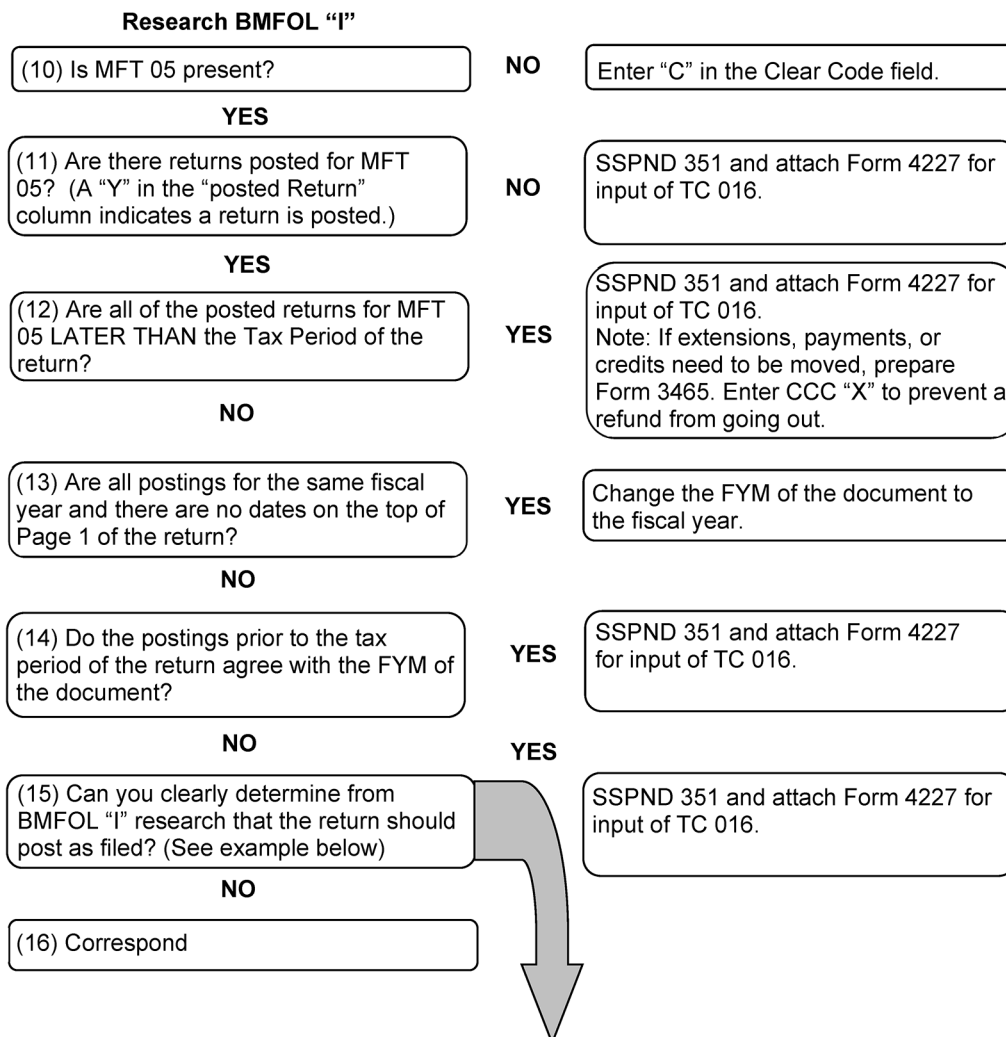
Always drop the cursor to the bottom of the screen and transmit before proceeding.

Note: If prepaid credits are present, see Error Code for instructions.

<p>(1) Is the Tax Period edited correctly? Note: Search the return and attachments for the correct Tax Period if there is no pre-printed label and/or no written date(s) on the top of Page 1.</p> <p style="text-align: center;">YES</p> <p>(2) Is the return for a Decedent Estate, filed by the surviving spouse and the Date of Death Was used as the Tax Period?</p> <p style="text-align: center;">NO</p> <p>(3) Is the Tax Period transcribed correctly?</p> <p style="text-align: center;">YES</p> <p>(4) Is the EIN transcribed correctly?</p> <p style="text-align: center;">YES</p> <p>(5) Is CCC "Y" or "G" present?</p> <p style="text-align: center;">NO</p> <p>(6) Is the return Final?</p> <p style="text-align: center;">NO</p> <p>(7) Is the return for a Short Period (not Initial or Final) with an acceptable reason attached? (See Error Code 026 for definition.)</p> <p style="text-align: center;">NO</p> <p>Research INOLES, ENMOD (or BMFOLE)</p> <p>(8) Does the FYM agree with the FYM on the document, or is there a PENDING (PN) TC 016 with the correct FYM shown on ENMOD?</p> <p style="text-align: center;">NO</p> <p>(9) Is TC 052, 053, 054, 055, 057, or 059 present, and is the date of the transaction within 12 months of the Tax Period on the document? (See Error Code 026 for the definition of a TC)</p> <p style="text-align: center;">NO</p> <p style="text-align: center;">(Continued on next page)</p>	<p>NO</p> <p>YES</p> <p>NO</p> <p>NO</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p>	<p>Change the document and the screen. NOTE: Be aware of special situations such as 52-53-week filers before changing the Tax Period.</p> <p>Change the Tax Period to agree with the correct FYM.</p> <p>Change the Tax Period (Field 01TXP).</p> <p>Change the EIN and research INOLES on the new EIN to ensure the FYM agrees with the document.</p> <p>Enter "C" in the Clear Code field.</p> <p>Enter an "F" in Field 01CCC.</p> <p>Enter a "Y" in Field 01CCC Note: If extensions, payments, or credits need to be moved, prepare Form 4227. Enter CCC "X" to prevent a refund and SSPND 351.</p> <p>Enter "C" in the Clear Code field.</p> <ul style="list-style-type: none"> • If the transaction code Tax Period matches the return enter "C" in the Clear Field. • If TC 053, 054 or 055 is present, enter a "Y" in Field 01CCC. • If TC 059 is present SSPND 351 to Rejects to correspond for return with correct tax period. • If there is a Tax Period mismatch SSPND 320 to Entity and attach Form 4227 with an explanation.
--	--	---

Exhibit 3.12.14-26 (Cont. 1) (01-01-2022)

Error Code 026 Flowchart - Error Correction Procedures



EXAMPLE: The return is filed for FYM 202111

INOLES shows: FYM 06

BMFOL "I" shows:

	Tax Period	Posted Return
201711	Y	
201811	Y	
201911	Y	
202011	Y	
202111	N	
202206	Y	
202306	N	

The tax return for 202111 still needs to post. In this example, SSPND 351 for input of TC016.

Exhibit 3.12.14-27 (01-26-2023)**Error Code 026 Flowchart - Suspense Correction Procedures**

Reply Procedures

(1) Does the tax period agree with the FYM?

YES

Change 01TXP to agree with the correct tax period.
On the subsequent screen, enter a "C" in the Clear Code Field.

NO

(2) Does the tax period disagree with the FYM?

YES

Change 01TXP to agree with the correct tax period and Input a TC 016.

No Reply Procedures

Short Period

(1) Is the return for a Short Period?

YES

1. Enter a "5" in Field 01ADC.
2. Enter a "Y" in Field 01CCC.

NO**Full Period**

(2) Is the last tax period with a TC 150 12 months or **more** prior to the return?

YES

1. Input TC 016 on ENMOD with CC BNCHG.
2. Input TC 474 on REQ77 (using 1 cycle delay) for the year and month prior to the beginning month of the tax period of the return being processed.
3. When PN 016 generates on ENMOD, clear EC 026.

NO

(3) Is the last TC 150 **less than** 12 months prior to the return tax period?

YES

1. Enter a "5" in Field 01ADC.
2. Enter a "Y" in Field 01CCC.

Exhibit 3.12.14-28 (03-25-2021)**Error Code 857 - Resolution Checklist**

The computer underprint for Field **05G1A** is the **lesser** of the computer's calculation for tax per tax rate schedule (**05TRS**) and the computer's calculation of the tax per Schedule D (**1043 underprint**).

The majority of EC 857 errors are caused by transcription errors, misplaced entries, and omitted entries. The following is a checklist to use before doing any correction procedure:

- Verify the tax period, if the tax year is 2003 see para (5) in IRM 3.12.14.25.40.2, Correction Procedures - Error Code 857.
- Verify transcription of all displayed fields. Don't forget Field **042B2** from Line 2b, of the 1041 and Form 4952. If the taxpayer has an amount on Line 45, Schedule D, but not on Line 43, enter the amount from Line 45 into Field **1043**.
- Check Line 18 of 1041 and if blank, enter the amount from Line 15, Schedule B into Field **0418**. If Line 15 is blank, check Lines 13 and 14, Schedule B and perfect Line 15 if possible.
- If Field **01FID** is "4" and the return is truly non-taxable, **DLSEC 04 and 06**, if present.
- If Line 2b of 1041 is blank, check Line 23, Schedule D, and enter the amount into Field **042B2**.
- If Part III, of column (2) of Schedule D is blank, enter appropriate amounts from column (3) or page 1 into Fields **1017 through 1018A** and perfect Field **1019**, if necessary.

Note: If taxpayer lists entries in column (1) and does not calculate Schedule D tax, do **not** enter amounts into fields. 1041, Schedule B, Line 3 can be used to determine taxpayer intent.

- Watch for additional tax being added into Line 1a, Schedule G, 1041 (including ESBT box checked in entity section of Form 1041).
- If the taxpayer checks the Box on Line 10 Form 1041 and there is an entry on Line 2b(1) or 2b(2),

continue processing.

#

Exhibit 3.12.14-29 (01-01-2016)**Error Code 857 - Correspondence/TPNC Checklist**

If the error code remains unresolved, then correspond or issue a TPNC as follows:

- If a TPNC was sent on another error code, determine whether the previous error is causing EC 857 to generate, if so, resend the previous TPNC.

#

Field **05TRS>** and Schedule D is missing, correspond for Schedule D.

#

05TRS> and Schedule D is missing, enter amount from Field **05G1A** into Field **05GVT**.

Caution: If this creates a significant difference in tax, check with your lead first.

- If Field **042B2** has no entry, there is no Schedule D attached, no entry on Line 4 of 1041, the two bullets above do not apply, and Field **05G1A> matched 05TRS>**, issue **TPNC 05** to inform the taxpayer that an error was made when Total Tax was figured.
- If Field **042B2** has an entry, the computer uses the Schedule D tax computations, issue **TPNC 24** to tell the taxpayer we figured their tax at a lower rate.
- If Schedule D is attached, Field **05G1A should be the same or greater than 05TRS>**, and there is an entry in Field **042B2**, issue **TPNC 24** to inform the taxpayer that there was an error related to the Schedule D tax.
- If the amount on Line 45 or 43 of Schedule D differs from the amount on Line 1a, Schedule G of 1041 and **Line 1a does not match Field 05TRS>**, issue **TPNC 05** to inform the taxpayer that the Schedule D tax was transferred incorrectly.
- If there is an entry on Line 22 of 1041, but Schedule G and Line 23 are blank, issue **TPNC 41** to inform the taxpayer that we have computed the tax.

Exhibit 3.12.14-30 (01-01-2024)

Error Code 894 - CRN Literals

If...	Then...
CRN 306 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported diesel-water fuel emulsion credit. The credit is not valid for tax periods earlier than 200601".
CRN 307 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your renewable diesel mixtures fuel credit. The credit is not valid for tax periods earlier than 200601."
CRN 309 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of a diesel-water fuel emulsion credit. The credit is not valid for tax periods earlier than 200601."
CRN 310 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your diesel-water fuel emulsion blender credit. The credit is not valid for tax periods earlier than 200601."
CRN 318 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your diesel-powered highway vehicle fuel credit. The credit is not valid for tax periods after 199707."
CRN 324 in invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your sales by registered ultimate vendors of aviation fuel credit. The credit is not valid for tax periods earlier than 199701".
CRN 346 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your sale and use of kerosene and undyed kerosene used in aviation and state or local government fuel credit. The credit is not valid for tax periods earlier than 199801".
CRN 347 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your sale and nontaxable use of undyed kerosene used in certain intercity and local buses fuel credit. The credit is not valid for tax periods earlier than 199801".
CRN 350 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your sale and nontaxable use of undyed diesel fuel used in certain intercity and local buses fuel credit. The credit is not valid for tax periods earlier than 199801".
CRN 352 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of liquefied petroleum gas (LPG) used in certain intercity and local buses fuel credit. The credit is not valid for tax periods earlier than 199401 or after 200708".

Exhibit 3.12.14-30 (Cont. 1) (01-01-2024)**Error Code 894 - CRN Literals**

If...	Then...
CRN 356 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your 10% gasohol blending fuel credit. The credit is not valid for tax periods earlier than 199301 or after 200511".
CRN 357 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your sale and nontaxable use of 7.7% gasohol blending fuel credit. The credit is not valid for tax periods earlier than 199301 or after 200511".
CRN 359 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of 10% gasohol fuel credit. The credit is not valid for tax periods earlier than 199301 or after 200511."
CRN 361 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of liquefied petroleum gas (LPG) used in qualified local or school buses fuel credit. The credit is not valid for tax periods earlier than 199401 or after 200708".
CRN 362 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of gasoline and gasohol fuel credit. The credit is not valid for tax periods earlier than 199401."
CRN 363 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your 5.7% gasohol blending fuel credit. The credit is not valid for tax periods earlier than 199301 or after 200511".
CRN 369 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your 5.7% gasohol blending fuel credit. The credit is not valid for tax periods earlier than 199401".
CRN 375 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of gasoline and 7.7% gasohol fuel credit. The credit is not valid for tax periods earlier than 199301 or after 200511".
CRN 376 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of gasoline and 5.7% gasohol fuel credit. The credit is not valid for tax periods earlier than 199301 or after 200511".
CRN 377 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of aviation grade kerosene used in foreign trade fuel credit. The credit is not valid for tax periods earlier than 199301". Or 2. "We computed your return without applying your nontaxable use of aviation grade kerosene used in foreign trade fuel credit. The credit is not valid for tax periods after 200511 and before 200712".

Exhibit 3.12.14-30 (Cont. 2) (01-01-2024)

Error Code 894 - CRN Literals

If...	Then...
CRN 388 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of biodiesel mixtures (other than agri-biodiesel mixtures) fuel credit. The credit is not valid for tax periods earlier than 200501."
CRN 390 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your agri-biodiesel mixtures fuel credit. The credit is not valid for tax periods earlier than 200501."
CRN 393 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alcohol fuel mixture containing ethanol fuel credit. The credit is not valid for tax periods earlier than 200501 or after 201211".
CRN 394 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alcohol fuel mixture containing alcohol (other than ethanol) fuel credit. The credit is not valid for tax periods earlier than 200501 or after 201211".
CRN 395 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your other nontaxable use of liquefied petroleum gas (LPG) fuel credit. The credit is not valid for tax periods earlier than 200501 or after 200708".
CRN 411 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported gasoline fuel credit. The credit is not valid for tax periods earlier than 200601".
CRN 412 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported aviation gasoline fuel credit. The credit is not valid for tax periods earlier than 200601".
CRN 413 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported undyed diesel fuel credit. The credit is not valid for tax periods earlier than 200601".
CRN 414 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported undyed kerosene (other than kerosene used in aviation) fuel credit. The credit is not valid for tax periods earlier than 200601".
CRN 415 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported dyed diesel fuel credit. The credit is not valid for tax periods earlier than 200601".

Exhibit 3.12.14-30 (Cont. 3) (01-01-2024)
Error Code 894 - CRN Literals

If...	Then...
CRN 416 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of exported dyed kerosene fuel credit. The credit is not valid for tax periods earlier than 200601".
CRN 417 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of kerosene used in commercial aviation (other than foreign trade). The credit is not valid for tax periods earlier than 200601".
CRN 418 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your sale of kerosene used in aviation fuel credit. The credit is not valid for tax periods earlier than 200601".
CRN 419 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative fuel credit. The credit is not valid for tax periods earlier than 200610".
CRN 420 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative fuel ("P series" fuel) credit. The credit is not valid for tax periods earlier than 200610."
CRN 421 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative fuel (compressed natural gas) credit. The credit is not valid for tax periods earlier than 200610."
CRN 422 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative fuel (liquefied hydrogen) credit. The credit is not valid for tax periods earlier than 200610."
CRN 423 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative liquid fuel derived from coal credit. The credit is not valid for tax periods earlier than 200610."
CRN 424 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative liquid hydrocarbon fuel derived from biomass credit. The credit is not valid for tax periods earlier than 200610."
CRN 425 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative fuel (liquefied natural gas) credit. The credit is not valid for tax periods earlier than 200610."

Exhibit 3.12.14-30 (Cont. 4) (01-01-2024)

Error Code 894 - CRN Literals

If...	Then...
CRN 426 is invalid	1. Assign TPNC 90 with the following literal: We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (liquefied petroleum gas). The credit is not valid for tax periods earlier than 200610."
CRN 427 is invalid	1. Assign TPNC 90 with the following literal: We computed your return without applying your alternative fuel credit and alternative fuel mixture credit ("P series"). The credit is not valid for tax periods earlier than 200610."
CRN 428 is invalid	1. Assign TPNC 90 with the following literal: We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (compressed natural gas). The credit is not valid for tax periods earlier than 200610."
CRN 429 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (liquefied hydrogen). The credit is not valid for tax periods earlier than 200610 or after 202311."
CRN 430 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (derived from coal). The credit is not valid for tax periods earlier than 200610."
CRN 431 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (liquid fuel from biomass). The credit is not valid for tax periods earlier than 200610."
CRN 432 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (liquefied natural gas). The credit is not valid for tax periods earlier than 200610."
CRN 433 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your leaking underground storage tanks (LUST) tax credit. The credit is not valid for tax periods earlier than 200510."
CRN 434 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your leaking underground storage tanks (LUST) tax credit. The credit is not valid for tax periods earlier than 200510 or after 200712."
CRN 435 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your nontaxable use of alternative fuel (liquefied gas derived from biomass) credit. The credit is not valid for tax periods earlier than 200810."

Exhibit 3.12.14-30 (Cont. 5) (01-01-2024)**Error Code 894 - CRN Literals**

If...	Then...
CRN 436 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (liquefied gas derived from biomass). The credit is not valid for tax periods earlier than 200810."
CRN 437 is invalid	1. Assign TPNC 90 with the following literal: "We computed your return without applying your alternative fuel credit and alternative fuel mixture credit (compressed gas derived from biomass). The credit is not valid for tax periods earlier than 200810."

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 421

Exhibit 3.12.14-31 (01-01-2024)

Tax Rates (Form 1041)

Tax Year 2023

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$0	\$2,900	10% of Taxable Income	\$0
\$2,900	\$10,550	\$290 + 24%	\$2,900
10,550	\$14,450	\$2,126 + 35%	\$10,550
\$14,450	and greater	\$3,491 + 37%	\$14,450

Tax year 2023 example: If taxable income equals \$12,000, subtract \$10,550, leaving \$1,450. Multiply \$1,450 by 35% (0.35) = \$507.50. \$507.50 plus \$2,126 = \$2,633.50 tax owed.

Tax Year 2022

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$0	\$2,750	10% of Taxable Income	\$0
\$2,750	\$9,850	\$275 + 24%	\$2,750
\$9,850	\$13,450	\$1,979 + 35%	\$9,850
\$13,450	and greater	\$3,239 + 37%	\$13,450

Current tax year tax rate example: If taxable income equals \$10,000, subtract \$9,850, leaving \$150. Multiply \$150 by 35% (0.35) = \$52.50. \$52.50 plus \$1,979 = \$2031,.50 tax owed.

Tax Year 2021

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$0	\$2,650	10% of Taxable Income	\$0
\$2,650	\$9,550	\$265 + 24%	\$2,650
\$9,550	\$13,050	\$1,921 + 35%	\$9,550
\$13,050	and greater	\$3,146 + 37%	\$13,050

Current tax year tax rate example: If taxable income equals \$10,000 subtract \$9,550, leaving \$450. Multiple \$450 by 35% (0.35) = \$157.50. \$157.50 plus \$1,921 = \$2,078.50 tax owed.

Tax Year 2020

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$0	\$2,600	10% of Taxable Income	\$0

Exhibit 3.12.14-31 (Cont. 1) (01-01-2024)**Tax Rates (Form 1041)**

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$2,600	\$9,450	\$260 + 24%	\$2,600
\$9,450	\$12,950	\$1,904 + 35%	\$9,450
\$12,950	and greater	\$3,129 + 37%	\$12,950

Current tax year tax rate example: If taxable income equals \$10,000 subtract \$9,450, leaving \$550. Multiple \$550 by 35% (0.35) = \$192.50. \$192.50 plus \$1,904 = \$2,096.50 tax owed.

Tax Year 2019

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$0	\$2,600	10% of Taxable Income	\$0
\$2,600	\$9,300	\$260 + 24%	\$2,600
\$9,300	\$12,750	\$1,868 + 35%	\$9,150
\$12,750	and greater	\$3,075.50 + 37%	\$12,750

Current tax year tax rate example: If taxable income equals \$10,000 subtract \$9,300, leaving \$700. Multiple \$700 by 35% (0.35) = \$245. \$245 plus \$1,868 = \$2,113 tax owed.

Tax Year 2018

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$0	\$2,550	10% of Taxable Income	\$0
\$2,550	\$9,150	\$255 + 24%	\$2,550
\$9,150	\$12,500	\$1,839 + 35%	\$9,150
\$12,500	and greater	\$3,011.50 + 37%	\$12,500

Current tax year tax rate example: If taxable income equals \$10,000 subtract \$9,150, leaving \$850. Multiple \$850 by 35% (0.35) = \$297.50. \$297.50 plus \$1868.00 = \$2165.50 tax owed.

Tax Year 2017

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
0	\$2,550	15% of Taxable Income	\$0
\$2,550	\$5,950	\$382.50 + 25%	\$2,550
\$5,950	\$9,050	\$1,232.50 + 28%	\$5,950
\$9,050	\$12,400	\$2,100.50 + 33%	\$9,050

Exhibit 3.12.14-31 (Cont. 2) (01-01-2024)

Tax Rates (Form 1041)

Taxable Income is Over	But Not Over	Percent of Taxable Income	Of Excess Over
\$12,400		\$3,206 + 39.6%	\$12,400

Exhibit 3.12.14-32 (04-21-2023)
Bankruptcy Estate Tax Rate Schedule

2023 Tax Rate Schedule - If Line 15, Form 1040 (taxable income) is:

Taxable Over	Income is	But Not Over	The Tax Is	Of The Amount Over
\$0		\$11,000	10%	\$0
\$11,000		\$44,725	\$1,100 + 12%	\$11,000
\$44,725		\$95,375	\$5,147 + 22%	\$44,725
\$95,375		\$182,100	\$16,290 + 24%	\$95,375
\$182,100		\$231,250	\$37,104 + 32%	\$182,100
\$231,250		\$346,875	\$52,832 + 35%	\$231,250
\$346,875		and greater	\$93,300.75 + 37%	\$346,875

Bankruptcy current tax year tax rate example: If taxable income is \$50,000. subtract \$44,725, leaving \$5,275. Multiply \$5,275 by 22% (0.22) = \$1,160.50 plus \$5,147 = \$6,307.50 tax owed.

2022 Tax Rate Schedule - If Line 15, Form 1040 (taxable income) is:

Taxable Over	Income is	But Not Over	The Tax Is	Of The Amount Over
\$0		\$10,275	10%	\$0
\$10,275		\$41,775	\$1,027.50 + 12%	\$10,275
\$41,775		\$89,075	\$4,807.50 + 22%	\$41,775
\$89,075		\$170,050	\$15,213.50 + 24%	\$89,075
\$170,050		\$215,950	\$34,647.50 + 32%	\$170,050
\$215,950		\$323,925	\$49,335.50 + 35%	\$215,950
\$323,925		and greater	\$87,126.75 + 37%	\$323,925

Bankruptcy current tax year tax rate example: If taxable income is \$50,000. subtract \$41,775, leaving \$8,225. Multiply \$8,225 by 22% (0.22) = \$1,809.50 plus \$4,807.50 = \$6,617 tax owed.

2021 Tax Rate Schedule - If Line 15, Form 1040 (taxable income) is:

Taxable Over	Income is	But Not Over	The Tax Is	Of The Amount Over
\$0		\$9,950	10%	\$0
\$9,950		\$40,525	\$995 + 12%	\$9,950
\$40,525		\$86,375	\$4,664 + 22%	\$40,525
\$86,375		\$164,925	\$14,751 + 24%	\$86,375
\$164,925		\$209,425	\$33,603 + 32%	\$164,925

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 425

Exhibit 3.12.14-32 (Cont. 1) (04-21-2023)

Bankruptcy Estate Tax Rate Schedule

Taxable Income is Over	But Not Over	The Tax Is	Of The Amount Over
\$209,425	\$314,150	\$47,843 + 35%	\$209,425
\$314,150	and greater	\$84,496.75 + 37%	\$314,150

2020 Tax Rate Schedule - If Line 15, Form 1040 (taxable income) is:

Taxable Income is Over	But Not Over	The Tax Is	Of The Amount Over
\$0	\$9,875	10%	\$0
\$9,875	\$40,125	\$987.50 + 12%	\$9,875
\$40,125	\$85,525	\$4,617.50 + 22%	\$40,125
\$85,525	\$163,300	\$14,605.50 + 24%	\$85,525
\$163,300	\$207,350	\$33,271.50 + 32%	\$163,300
\$207,350	\$311,025	\$47,367.50 + 35%	\$207,350
\$311,025	And greater	\$83,653.75 + 37%	\$311,025

2019 Tax Rate Schedule - If Line 11b, Form 1040 (taxable income) is:

Taxable Income is Over	But Not Over	The Tax Is	Of The Amount Over
\$0	\$9,700	10%	\$0
\$9,700	\$39,475	\$970 + 12%	\$9700
\$39,475	\$84,200	\$4,543 + 22%	\$39,475
\$84,200	\$160,725	\$14,382.50 + 24%	\$84,200
\$160,725	\$204,100	\$32,748.50 + 32%	\$160,725
\$204,100	\$306,175	\$46,628.50 + 35%	\$204,100
\$306,175	And greater	\$82,354.75 + 37%	\$306,175

2018 Tax Rate Schedule - If Line 10, Form 1040 (taxable income) is:

Taxable Income is Over	But Not Over	The Tax Is	Of The Amount Over
\$0	\$9,525	10%	\$0
\$9,525	\$38,700	\$952.50 + 12%	\$9,525
\$38,700	\$82,500	\$4,453.50 + 22%	\$38,700
\$82,500	\$157,500	\$14,089.50 + 24%	\$82,500

Exhibit 3.12.14-32 (Cont. 2) (04-21-2023)
Bankruptcy Estate Tax Rate Schedule

Taxable Income is Over	But Not Over	The Tax Is	Of The Amount Over
\$157,500	\$200,000	\$32,089.50 + 32%	\$157,500
\$200,000	\$300,000	\$45,689.50 + 35%	\$200,000
\$300,000	And greater	\$80,689.50 + 37%	\$300,000

2017 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$9,325	10%	\$0
\$9,325	\$37,950	\$932.50 + 15%	\$9,325
\$37,950	\$76,550	\$5,226.25 + 25%	\$37,950
\$76,550	\$116,675	\$14,876.25 + 28%	\$76,550
\$116,675	\$208,350	\$26,111.25 + 33%	\$116,675
\$208,350	\$235,350	\$56,364.00 + 35%	\$208,350
\$235,350	And greater	\$65,814.00 + 39.6%	\$235,350

2016 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$9,275	10%	\$0
\$9,275	\$37,650	\$927.50 + 15%	\$9,225
\$37,650	\$75,950	\$5,183.75 + 25%	\$37,450
\$75,950	\$115,725	\$14,758.75 + 28%	\$75,600
\$115,725	\$206,675	\$25,895.75 + 33%	\$115,225
\$206,675	\$233,475	\$55,909.25 + 35%	\$205,750
\$233,475	And greater	\$65,289.25 + 39.6%	\$233,475

2015 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$9,225	10%	\$0
\$9,225	\$37,450	\$922.50 + 15%	\$9,225
\$37,450	\$75,600	\$5,156.25 + 25%	\$37,450
\$75,600	\$115,225	\$14,693.75 + 28%	\$75,600
\$115,225	\$205,750	\$25,788.75 + 33%	\$115,225

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 427

Exhibit 3.12.14-32 (Cont. 3) (04-21-2023)

Bankruptcy Estate Tax Rate Schedule

Over-	But not over-	The tax is:	of the amount over-
\$205,750	\$232,425	\$55,662.00 + 35%	\$205,750
\$232,425	And greater	\$64,998.25 + 39.6%	\$232,425

2014 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$9,075	10%	\$0
\$9,075	\$36,900	\$907.50 + 15%	\$9,075
\$36,900	\$74,425	\$5,081.25 + 25%	\$36,900
\$74,425	\$113,425	\$14,462.50 + 28%	\$74,425
\$113,425	\$202,550	\$25,382.50 + 33%	\$113,425
\$202,550	\$228,800	\$54,793.75 + 35%	\$202,550
\$228,800	And greater	\$63,981.25 + 39.6%	\$228,800

2013 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$8,925	10%	\$0
\$8,925	\$36,250	\$892.50 + 15%	\$8,925
\$36,250	\$73,200	\$4,991.25 + 25%	\$36,250
\$73,200	\$111,525	\$14,228.75 + 28%	\$73,000
\$111,525	\$199,175	\$24,959.75 + 33%	\$111,525
\$199,175	\$225,000	\$53,884.25 + 35%	\$199,175
\$225,000	And greater	\$62,923.00 + 39.6%	\$225,000

2012 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$8,700	10%	\$0
\$8,700	\$35,350	\$870.00 + 15%	\$8,700
\$35,350	\$71,350	\$4,867.50 + 25%	\$35,350
\$71,350	\$108,725	\$13,867.50 + 28%	\$71,350.
\$108,725	\$194,175	\$24,332.50 + 33%	\$108,725
\$194,175	And greater	\$52,531.00 + 35%	\$194,175

Exhibit 3.12.14-32 (Cont. 4) (04-21-2023)
Bankruptcy Estate Tax Rate Schedule

2011 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$8,500	10%	\$0
\$8,500	\$34,500	\$850 + 15%	\$8,500
\$34,500	\$69,675	\$4,750 + 25%	\$34,500
\$69,675	\$106,150	\$13,543.75 + 28%	\$69,675
\$106,150	\$189,575	\$23,756.75 + 33%	\$106,150
\$189,575	And greater	\$51,287 + 35%	\$189,575

2010 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$8,375	10%	\$0
\$8,375	\$34,000	\$837.50 + 15%	\$8,375
\$34,000	\$68,650	\$4,681.25 + 25%	\$34,000
\$68,650	\$104,625	\$13,343.75 + 28%	\$68,650
\$104,625	\$186,825	\$23,416.75 + 33%	\$104,625
\$186,825	And greater	\$50,542.75 + 35%	\$186,825

2009 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$8,350	10%	\$0
\$8,350	\$33,950	\$835 + 15%	\$8,350
\$33,950	\$68,525	\$4,675 + 25%	\$33,950
\$68,525	\$104,425	\$13,318.75 + 28%	\$68,525
\$104,425	\$186,475	\$23,370.75 + 33%	\$104,425
\$186,475	And greater	\$50,447.25 + 35%	\$186,475

2008 Tax Rate Schedule - If Line 43, Form 1040 (taxable income) is:

Over-	But not over-	The tax is:	of the amount over-
\$0	\$8,025	10%	\$0
\$8,025	\$32,550	\$802.50 + 15%	\$8,025
\$32,550	\$65,725	\$4,481.25 + 25%	\$32,550
\$65,725.	\$100,150	\$12,775 + 28%	\$65,725

Exhibit 3.12.14-32 (Cont. 5) (04-21-2023)

Bankruptcy Estate Tax Rate Schedule

Over-	But not over-	The tax is:	of the amount over-
\$100,150	\$178,850	\$22,414 + 33%	\$100,150
\$178,850	And greater	\$48,385 + 35%	\$178,850

Exhibit 3.12.14-33 (01-01-2021)**Prior Year Conversion Chart - Form 1041****FORM 1041 PAGE 1 CONVERSION**

Tax Year 19	Description	Field	Tax Year 16 - 18	Tax Year 13- 15	Tax Year 07-12
1	Interest Income	0401	1	1	1
2	Total Ordinary Dividends	0402A	2a	2a	2a
3	Business Income (or loss)	0403	3	3	3
4	Capital Gain (or loss)	0404	4	4	4
5	Rents Royalties Partner- ships, etc.	0405	5	5	5
6	Farm Income (or loss)	0406	6	6	6
7	Ordinary Gain (or loss)	0407	7	7	7
Write in left Line 8	Form 461 Business Loss	04ABI	N/A	N/A	N/A
8	Other Income	0408	8	8	8
9	Total Income	0409	9	9	9
10	Interest	0410	10	10	10
11	Taxes	0411	11	11	11
12	Fiduciary Fees	0412	12	12	12
13	Charitable Deduction	0413	13	13	13
14	Attorney, Accountant, and Return Preparer fees	0414	14	14	14
15a	Other Deductions	0415A	15a	15a	15a
15b	Net Operating Loss Deduction	0415B	15b	15b	n/a
N/A	Allowable Misc. Itemized Deductions Subject to 2% (TY 2017 and prior)	04MID	15c	15c	15b
16	Total Basic Deductions	0416	16	16	16
18	Income Distribution	0418	18	18	18
19	Estate Tax Deduction	0419	19	19	19
20	Qualified Business Income Deduction	0420	N/A	N/A	N/A
21	Exemption	0420	20	20	20
22	Total Special Deductions	0421	21	21	21
23	Taxable Income	0423	22	22	22

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 431

Exhibit 3.12.14-33 (Cont. 1) (01-01-2021)

Prior Year Conversion Chart - Form 1041

Tax Year 19	Description	Field	Tax Year 16 - 18	Tax Year 13- 15	Tax Year 07-12
24	Total Tax	0524	23	23	23
25	Net 965 Tax Liability Paid	0525	N/A	N/A	N/A
26	Total Payments	0526	25	25	25
27	Estimated Tax Penalty	0527	26	26	26
28	Tax Due	05B/D	27	27	27
29	Overpayment	05B/D	28	28	28
30a	ES Tax Credit Elect	0530A	29a	29a	29a
30b	Refunded	0530B	29b	29b	29b

Schedule G, Line 4, Net Investment Income Tax is new for 201312 tax year. 201311 and prior year should have any amounts on Line 4 X'd.

FORM 1041 PAGE 2 CONVERSION

Tax Year 2019	Description	Field	Tax Year 16-18	Tx Year 13 - 15	Tax Year 07 - 12
1a	Tax Rate Schedule or Sch. D	05G1A	1a	1a	1a
1b	Tax on Lump-Sum Distribution (Form 4972)	05G1B	1b	1b	1b
1c	Alternative Minimum Tax	05G1C	1c	1c	1c
1d	Gross Tax	05G1D	1d	1d	1d
2a	Foreign Tax Credit	05G2A	2a	2a	2a
2b	General Business Credit	05G2B	2b	2b	2b
2c	Prior Year Minimum Tax Credit	05G2C	2c	2c	2c
2d	Bond Credit, Form 8912	05G2D	2d	2d	2d
4	Tax on ESBT Note: Not valid for Tax Period 201911 and prior. Delete entry in field if present.	05G04	N/A	N/A	N/A
5	Net Investment Income Note: Not valid for Tax Period 201311 and prior. Delete entry in field if present.	05G05	4	4	N/A

Exhibit 3.12.14-33 (Cont. 2) (01-01-2021)
Prior Year Conversion Chart - Form 1041

Tax Year 2019	Description	Field	Tax Year 16-18	Tx Year 13 - 15	Tax Year 07 - 12
6	Recapture Taxes (Form 4255/ Form 8611)	05G06	5	5	5
7	Household Employment Tax (Schedule H)	05G07	6	6	6
8	Other Taxes	05G08	N/A	N/A	N/A
10	Estimated Tax Payments	05G10	24a	24a	24a
11	Estimated Tax Payments Beneficiaries	05G11	24b	24b	24b
13	Tax Paid with Form 7004 (Extension)	05G13	24d	24d	24d
14	Fed. Income Tax Withheld * For Tax Period 199312 and prior, edit Other Credits to Line 24e of Form 1041.	05G14	24e	24e	24e
15	Net 965 Tax Liability Note: Valid for TY 2017 and later.	05G15	25f	N/A	N/A
16	Other Payments Form 2439	0516A	24f	24f	24f

SCHEDULE I, FORM 1041 CONVERSION

Tax Year 2019	Description	Field	Tax Year 09-18
22	Alternative Tax Net Operating Loss Deduction	06I24	24
23	Net Alternative Minimum Tax Income	06I25	25
24	Income Distribution Deduction	06I26	26
51	Alternative Minimum Foreign Tax Credit	06I51	53

Exhibit 3.12.14-34 (01-01-2016)

Prior Year Conversion Chart for 1041 Sch D

Page 1 of prior year Schedule D will not be converted because it was not transcribed in prior years. Line numbers should be lined through on page 1.

Field	2014 - 2016	2013	'08 -'12	07
1017	17(2)	17(2)	13(2)	13(2)
1018A	18a(2)	18a(2)	14a(2)	14a(2)
1018B	18b(2)	18b(2)	14b(2)	14b(2)
1018C	18c(2)	18c(2)	14c(2)	14c(2)
1016	16	n/a	n/a	n/a
1019	19(2)	19(2)	15(2)	15(2)
1043	43	43	32	33

Field	Form 4952
06D4G	4g
06D4E	4e

Exhibit 3.12.14-35 (01-01-2019)
Brief Error Code Listing for Form 1041

Error Code	Description
001	Statute (CCC "W" for clearance not present).
002	Name Control (Field 01NC) mismatch against the NAP and the EIF.
003	Check digit Invalid
004	EIN not present on NAP. EIF/NAP not accessed or not operational.
007	Received Date (Field 01RCD) earlier than first day of the Tax Period (a.k.a.: Early Filed return).
010	CCC "G" and other than required fields present (a.k.a.: "Amended" return).
011	Remittance amount is present (RPS or RMIT>) and no Section 05 data. Does not apply to amended returns.
014	Discrepancy in the Address information (Field 01ADD).
015	Discrepancy in the foreign address information (Field 02FAD).
016	ZIP Code (Field 01ZIP) inconsistent with Major City Code or State Code.
026	Tax Period (Field 01TXP) underprint is incorrect and CCC "F" or "Y" is not present.
030	Penalty and Interest Code "1" present (Field 01PIC) or is not compatible with Received Date (Field 01RCD).
034	Correspondence Received Date check (Field 01CRD).
062	Low Income Housing Credit (Field 2504D) is present but CCC "9" is missing or CCC "9" is present and Field 2504D is missing.
073	CCC "3" is present (No Reply) and an entry is present in the Correspondence Received Date field (Field 01CRD).
162	Schedule H, Part I: Social Security Wages (Field 0701) is greater than Medicare Wages (Field 0703), or Social Security and Medicare Wages are below the minimum amount.
163	Certain General Business Credits claimed exceed limits.
174	Schedule H, Part I: Advanced EIC (Field 0797) is greater than 20.4% (0.204) of Medicare Wages (Field 0703).
175	Schedule H, Part II: FUTA "Yes/No" Indicator (Field 07FIN) is inconsistent with Tentative Credit (Field 07TTC).
176	Schedule H, Part II: Tentative Credit (Field 07TTC) is present and Total Wages (Field 07TFW) is blank.
177	Schedule H, Part II: Any of State Codes "2" through "5" are present (Fields 07SC2-07SC5) and the preceding State Code is not present.
178	Schedule H, Part II: State Codes "1" and "2" (Fields 07SC1 and 07SC2) are present and Tentative Credit (Field 07TTC) are blank.

Exhibit 3.12.14-35 (Cont. 1) (01-01-2019)

Brief Error Code Listing for Form 1041

Error Code	Description
179	Reserved
180	Reserved
181	Schedule H, Part II: State Code (Field 07SC1-07SC5) is present with no FUTA Wages or FUTA Wages (Field 07TFW) is present with no State Code.
183	Schedule H, Part II: Inconsistencies between the Credit Reduction States (Fields 07CC1-07CC5) and Credit Reduction Wages (Fields 07CW1-07CW5) or a Credit Reduction State is either invalid or present more than once.
184	Schedule H, Part II: Total Credit Reduction Amount (Field 07TCR) is present but Credit Reduction Wages (Fields 07CW1-07CW5) are blank or Credit Reduction Wages are present but Total Credit Reduction Amount is blank.
185	Reserved
188	Schedule H, Part II: More Than 5 States Indicator (Field 07ASI) is present and State Code "5" (Field 07SC5) is blank.
830	Fiduciary Code (01FID) is blank.
832	Trust Code (Field 01TRC) is present with Fiduciary Code (Field 01FID) "1", "5", "6", "8", or "9".
834	Preparer's TIN (Field 01PSN) is the same as Employer Identification Number (Field 01EIN).
836	Credit Elect (Field 0530A) is present on a Final Return (CCC "F").
839	Fiduciary Code "5" or "6" (Bankruptcy Estate) is present.
840	Form 8941, SHOP Check Boxes
842	Math Error: Difference in Total Income (Field 0409).
845	Math Error: Difference in Total Deductions (Field 0416).
846	Consistency Check: Qualified Business Income Deduction Amount (Qualifying Claim)
847	Math Error: Difference between Qualified Business Income Deduction Field 0420 and computer underprint Field 0420>
848	Math Error: Exemption amount (Field 0420) is not compatible with Fiduciary Code (Field 01FID) and Total Tax (Field 0523) is in error.
851	Math Error: Difference in Total Special Deductions (Field 0421).
854	Math Error: Difference in Taxable Income (Field 0423).
857	Math Error: Difference in Gross Tax (Field 05G1A).
860	Math Error: Difference in Alternative Minimum Tax (Field 05G1C).
861	Math Error: Difference in Net Investment Income Tax (Field 05G04)

Exhibit 3.12.14-35 (Cont. 2) (01-01-2019)
Brief Error Code Listing for Form 1041

Error Code	Description
863	Math Error: Difference in Total Tax (Field 05G1D).
866	Math Error: Difference in General Business Credit (Field 05G2B).
868	Math Error: Difference In Credit for Small Employers Health Insurance Premiums (Field 05G04)
872	Math Error: Schedule H, Part I: Difference in Total Social Security/Medicare/ Withholding Taxes (Field 0798) 2010 and prior .
875	Math Error: Schedule H, Part I: Difference in Net Social Security/Medicare/ Withholding Taxes (Field 0706).
878	Math Error: Schedule H, Part II: Difference in Federal Unemployment (FUTA) Tax (Field 07FTX).
881	Math Error: Schedule H, Part III: Difference in Total Household Employment Taxes (Field 07HTX).
884	Consistency Error: Schedule H, Part II: Total Credit Reduction Wages - Computer (Field 07CWC>) is greater than Total FUTA Wages (Field 07TFW).
887	Math Error: Difference in Total Tax (Field 0523).
890	Schedule H: Household Employment Taxes-Computer (Field 07HTX) is present and Social Security/Medicare/Withholding Taxes-Computer (Field 0706) and Total FUTA Wages (Field 07TFW) are both missing.
893	Consistency Error: Estimated Tax Payments Allocated to Beneficiaries (Field 0525B) is greater than Estimated Tax Payments (Field 0525A).
894	Consistency Error: Credit Reference Number (CRN) is not valid or a CRN is entered without an associated credit amount, an amount is present without a CRN, or a CRN and amount are present for an ineligible tax period.
896	Math Error: Difference in Total Payments (Field 0526).
898	Return before 200612 that has total tax of \$50 or more.
902	Math Error: Difference in Balance Due/Overpayment (Field 05B/D).
903	Refund \$1,000,000 or more and CCC "O" not present.
904	Remittance amount or RMIT> Indicator is present and the Total Tax (Field 0523) is blank.
905	Expedite processing of refund.
999	Return in error at the end of the processing year.

Exhibit 3.12.14-36 (01-01-2024)

Taxpayer Notice Codes for Form 1041

Sound judgement must be used when determining which TPNC to send. If the TPNC used is in the taxpayer's best interests and the reasoning is sound, no error should be charged.

TPNC	Literal
01	We found an error in the computation of your total income.
02	Reserved.
04	We found an error in the computation of your taxable income.
05	We found an error in the computation of your total income tax.
08	The credit claimed was more than the law allows.
09	We found an error in the computation of your deductions.
10	We found an error in the computation of the tax due or overpayment amount.
11	Your Foreign Tax Credit was more than the law allows.
12	Reserved.
15	We found an error in the computation of your gains and losses on Schedule D.
16	We found an error in the computation of your gains and losses on Form 4797
20	We found an error in the amount shown as your exemption.
21	Reserved.
23	We found an error in the computation of the Alternative Minimum Tax.
24	We changed your Form 1041, U.S. Income Tax for Estates and Trusts because: <ul style="list-style-type: none"> You computed your Alternative Tax incorrectly, or We computed your tax using the Alternative Tax because it reduced your tax.
25	Reserved.
26	Reserved.
30	Reserved.
31	We found an error in the computation of the General Business Credit on Form 3800.
32	Reserved.
33	Reserved.
38	We found an error on page 1 of your return when your payment amounts were added.
40	We adjusted your tax return as shown because we did not receive a reply to our request for additional information.
41	We computed your tax for you.

Exhibit 3.12.14-36 (Cont. 1) (01-01-2024)**Taxpayer Notice Codes for Form 1041**

TPNC	Literal
43	We can't allow the amount you reported as federal income tax withheld because your return didn't have the necessary Form(s) W-2 attached as verification.
44	We eliminated the estimated tax penalty for the above tax period. If you prepaid the penalty, we will refund it to you.
46	According to our records, you should file as an Estate using Form 1041 instead of filing Form 1040. We transferred the information submitted on your Form 1040 to Form 1041 and processed it using the applicable exemption amount and tax rates for an estate return.
47	We changed the amount you claimed as Credit for Small Employer Health Insurance Premiums on Form 3800, General Business Credit. You figured the credit incorrectly on Form 8941, Credit for Small Employer Health Insurance Premiums, Line 16, or Line 18, or transferred it incorrectly to Form 3800, Part III, Line 4h.
48	We didn't allow the Credit for Small Employer Health Insurance Premiums claimed on Form 3800, General Business Credit. The required Form 8941 was incomplete or wasn't attached to your tax return. (No reply to correspondence only)
49	We adjusted your Form 8941, Credit for Small Employer Health Insurance Premiums. On Form 8941, Line 2 you reported 25 or more full-time equivalent employees for the tax year and figured Line 12 incorrectly.
50	We found an error in the computation of the federal unemployment tax on Schedule H, Household Employment Taxes.
51	We found an error on Schedule H, Household Employment Taxes. The error was in: 1. The computation of the total tax and/or 2. The transfer of that amount to page 2 of Form 1041.
52	We adjusted the federal unemployment tax on your Schedule H, Household Employment Taxes because we did not receive a reply to our request for additional information.
53	We adjusted your Form 8941, Credit for Small Employer Health Insurance Premiums. On Form 8941, Line 3 you reported average annual wages paid for the tax year over the maximum amount and figured Line 12 incorrectly.
54	We didn't allow the amount you claimed as Credit for Small Employer Health Insurance Premiums on your tax return. Based on your response to the questions on Form 8941, line A and/or line C, you can't claim the credit because: <ul style="list-style-type: none"> You didn't participate in a Small Business Health Options Program (SHOP) and/or You already received the credit for two consecutive years.
55	We found an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes: 1. Social Security 2. Medicare 3. Federal income taxes.

Exhibit 3.12.14-36 (Cont. 2) (01-01-2024)

Taxpayer Notice Codes for Form 1041

TPNC	Literal
57	The amount of cash wages you reported on Schedule H, Household Employment Taxes, was not enough to be considered taxable for employment tax purposes. Any Social Security and Medicare tax withheld should be returned to your employee. You may also have to file Form W-2C, Corrected Wage and Tax Statement, to correct the Social Security and Medicare wages you reported.
58	We found an error in the subtraction of your employee's advance earned income credit from your total Social Security, Medicare, and income tax withheld on Schedule H, Household Employment Taxes.
60	We found an error in the computation of the credit reduction amount from Schedule H or it was omitted. We adjusted your household employment taxes accordingly.
61	We didn't allow the Qualified Business Income Deduction claimed on Form 1041, U.S. Income Tax Return for Estates and Trusts. One of the required forms listed below was missing from your return: <ul style="list-style-type: none"> Form 8995, Qualified Business Income Deduction Simplified Computation Form 8995, Qualified Business Income Deduction
62	We changed the Qualified Business Income Deduction claimed on Form 1041, U.S. Income Tax Return for Estates and Trusts because you made one or more of the following errors: <ul style="list-style-type: none"> The amount claimed exceeds the statutory Limit. The amount(s) used to determine your Qualified Business Income Deduction on Form 8995 or Form 8995-A was figured incorrectly. The amount from Form 8995 or Form 8995-A was transferred incorrectly to Form 1041.
70	We changed the Net Investment Income Tax on your Form 8960 because there was an error due to: <ul style="list-style-type: none"> The computations used for Line 8, Line 11, Line 20, and/or Line 21, and/or The amount transferred from Line 21 to Line 4 on 1041, Schedule G.
71	We changed the amount of the refundable credit for qualified sick and family leave wages. The change was due to an error you made in transferring the amount from the Schedule H, Household Employment Taxes to the Form 1041, U.S. Income Tax Return for Estates & Trusts.
72	We changed the amount of the deferred payment of the employer's share of Social Security tax on Schedule H, Household Employment Taxes. The change was due to one or more of the following errors: <ul style="list-style-type: none"> You claimed more than the statutory limit allows. The amounts you used to determine your deferred payment were in error. You incorrectly transferred the amount from the Schedule H to the Form 1041, U.S. Income Tax Return for Estates & Trusts.
73	We changed the amount for the Elective Payment Election (EPE) because the Form 3800, General Business Credit, Part III, was computed incorrectly.

Exhibit 3.12.14-36 (Cont. 3) (01-01-2024)**Taxpayer Notice Codes for Form 1041**

TPNC	Literal
74	We didn't allow all or part of the credit claimed as clean vehicle credit on your return because one or more of the Vehicle Identification Numbers (VIN) reported on Schedule A (Form 8936), Clean Vehicle Credit Amount, didn't match our records.
90	Blank Notice - 10 blank lines are available on the notice for whatever statement is needed.

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 441

Exhibit 3.12.14-37 (01-01-2016)

ERS Action Codes

Action Code	Description	Workday Suspense Period	Function Used In
001	Input Document	0	GEN
210	EPMF 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 (ACI)	45	CE, EC, S
225	Taxpayer Correspondence (Signature Only)	40	CE, EC, S
226	International (ACI) (Signature Only)	40	CE, EC, S
300	Examination (Fuel Tax Credit)	10	CE, EC, S
310	Statute Control	10	CE, EC, S
320	Entity Control	10	CE, EC, S
331	Frivolous Review	3	CE, EC
332	QRDT 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	10	CE, EC, S
341	Manual Refund	10	CE, EC, S
342	Credit Verification	10	CE, EC, S
343	Black Liquor	10	CE, EC, S
344	Manual Refund - ERS	0	EC
351	TIN Research	0	EC, S
352	Name Research	3	CE, EC, S
353	Address Research	3	CE, EC, S
354	Filing Requirements 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

Exhibit 3.12.14-37 (Cont. 1) (01-01-2016)
ERS Action Codes

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
440	Management Suspense C - LMSB review of 1120-F returns - Ogden Only	15	CE, EC, S
450	Management Suspense D	20	CE, EC, S
460	Management Suspense E	25	CE, EC, S
470	Complex Error Codes	0	EC
480	Early Filed Suspense	150	CE, EC, S
490	System Problem	5	CE, EC, S
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
550	Magnetic Tape Return - Check for Attachments	0	CE
551	Magnetic Tape - Inconsistent Data	0	CE
610	Renumber - Non-Remit	0	CE, EC
611	Renumber - Remit	0	CE, EC
620	NMF/Non-ADP	0	CE, EC, S
630	Reinput	0	EC, S
640	Void	0	CE, EC, S
650	International (ACI)	0	CE, EC, S
660	Data Control Delete (TEP Delete)	0	S
670	Rejected Missing Document	0	S
700	Duplicate Block DLN	0	GEN
711	Duplicate Document DLN from Code & Edit	0	GEN
712	Duplicate Document DLN from Error Correction	0	GEN
713	Duplicate Document DLN from Unpostables	0	GEN

Exhibit 3.12.14-37 (Cont. 2) (01-01-2016)

ERS Action Codes

Action Code	Description	Workday Suspense Period	Function Used In
714	Duplicate Document DLN from Unworkable Suspense	0	GEN
715	Duplicate Document DLN from Workable Suspense	0	GEN
800	NAP Linkage Problem	2	EC, S
900	Unpostable Record	0	GEN

Key to above table:

Note: **CE** = Code & Edit, **S** = Suspense Correction, **CE** = Code & Edit, and **S** = Suspense Correction

Exhibit 3.12.14-38 (01-01-2016)**Statutory Credits**

Order Statutory Credits are to be applied in:

Tax Periods 198812 and Subsequent:	Field Designator
Foreign Tax Credit	Field 05G2A
Other Non-business Credits	was Field 05G2B
General Business Credit	Field 05G2B
Low Income Housing Credit	Field 2504D
Prior Year Minimum Tax Credit	Field 05G2C

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 445

Exhibit 3.12.14-39 (01-01-2024)

“No Reply” Procedures

Enter **CCC “3”** in Field 01CCC for all **No Reply** returns and follow the specific procedures detailed below:

Correspondence Issue	No Reply Procedures
Section 965 return,	<ol style="list-style-type: none"> Enter a CCC “X” into Field 01CCC, if the taxpayer has deferred Section 965 tax. Input TC 971 with closing codes 114 and 115 as applicable. See IRM 3.12.38.5.2 for detailed instructions.
Missing Signature.	Enter “X” in Field 01CCC (refund returns).
Tax Period cannot be determined. Field 01TXP	Use current processing year.
Non-Final Return with Tax Period Ending four months or more after the processing date. Field 01TXP	Use current processing year.
Field 1041-QFT is before 199708. Field 01TXP	Use current processing year.
1041-N is before 200312. Field 01TXP	Use current processing year.
RPS Indicator - If an RPS Indicator is present but there is no remittance amount present. (EC 011)	Prepare Form 3465 and indicate the amount to be moved to the Unidentified Remittance File (URF).
Tax Period -The Tax Period on Form 1041 begins or ends on a day other than the last day of the month (excluding Initial/Final Returns). (EC 026)	<ol style="list-style-type: none"> Enter the Tax Period Ending for the previous month (i.e., 201308) in Field 01TXP. Input TC 016 (follow local procedures).
Tax Period -The Tax Period on Form 1041 matches Field 01TXP but the beginning and ending Tax Periods on Form 1041 result in a Tax Year greater than 12 months. Example: An Initial estate return with a Tax Year Beginning on 9/12/2018 (201809) and a Tax Year Ending on 9/28/2019 (201909). (EC 026)	<ol style="list-style-type: none"> Enter the Tax Period Ending for the previous month (i.e., 201408) in Field 01TXP. Input TC 016 (follow local procedures).
Tax Period - If the last Tax Period with a TC 150 is more than 12 months before the tax period of the return. (EC 026) Example: If the Tax Period is 201909, use September 2018; if the Tax Period is 201911, use November 2018.	<ol style="list-style-type: none"> Input TC 474 on REQ77 for the year and month before the beginning month of the Tax Period on Form 1041 and use one for the number of cycles. Input TC 016 (follow local procedures). Enter 5 in 01ADC SSPND 430. After the return has been held for one cycle, enter C in the Clear Code field.
Tax Period—The last Tax Period with a TC 150 is less than 12 months before the Tax Period of the return. (EC 026)	<ol style="list-style-type: none"> Enter 5 in Field 01ADC. Enter Y in Field 01CCC.

Exhibit 3.12.14-39 (Cont. 1) (01-01-2024)**No Reply Procedures**

Correspondence Issue	No Reply Procedures
Schedule H - Line 20 (Tentative Credit) Field 07TTC is blank but a "1" is present in Field 07FIN. (EC 175)	Enter "1" in Field 07TTC
Schedule H - Line 16/21 (Total FUTA Wages). Field 07TTC contains an entry, but Field 07TFW is not present. (EC 176)	1. Enter \$1 in Field 07TFW. 2. GTSEC 07 and enter the Total FUTA Tax in Field 07FTV.
Schedule H - Line 20 (Tentative Credit). Fields 07SC1 and 07SC2 are present, but Field 07TTC is not present. (EC 178)	Enter \$1 in Field 07TTC.
Schedule H - Line 16/21 (Total FUTA Wages). Field 07TFW is blank, but an entry is present on Line 17/22. (EC 181)	1. Enter \$1 in Field 07TFW. 2. When Error Code 891 appears, enter the Total FUTA Tax amount (from Line 17/25) in Field 07FTV.
Bankruptcy Estate Returns - A Bankruptcy Form 1041 is filed but the Form 1040 is not the one relating to the bankruptcy, or Form 1040 is not attached, and an entry is present on any of Lines 24 through 30 of Form 1041, or Line 9 indicates Gross Income greater than the applicable Exemption amount plus the standard deduction. (EC 839)	Continue processing based on the information contained on the original Form 1041.
No reply or decedent returns requiring conversion of Form 1040/A/EZ to Form 1041.	1. See IRM 3.12.14.26.4, Converting Form 1040, Form 1040A, and Form 1040EZ to Form 1041 - No Reply. 2. Assign TPNC(s) 40 and 46. Note: If TPNC 46 is not available, use TPNC 90 with the literal from TPNC 46.
Form 1041 - Lines 3 through 6. Any of Fields 0403 through 0406 are present and report a positive sponding schedule is not attached. (EC 842)	Continue processing the return.
Form 1041 - Lines 3 through 6. Any of Fields 0403 through 0406 are present and report a negative sponding schedule is not attached. (EC 842)	1. Delete the entry in the negative field(s). 2. Assign TPNC 40.
Form 1041 - Line 4 is present and reports a gain of \$500 or more and Schedule D is not attached. (EC 857)	Send TPNC's 05 and 40.
Form 1041 - Line 16. Field 0416 contains an entry but there are no entries in Fields 0410 through 0415B (04NID TY2017 and prior). (EC 845)	1. Delete the entry in Field 0416 2. Assign TPNC 40.

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Exhibit 3.12.14-39 (Cont. 2) (01-01-2024)

No Reply Procedures

Correspondence Issue	No Reply Procedures
Form 1041 - Line 18. Field 0418 contains an entry but there is no Schedule K-1 (Form 1041) attached or K-1 entity information is missing. (EC 851)	Enter Audit Code 3 in Field 01ADC.
Form 1041 - Line 14, Schedule G. Field 05G14 contains an entry but is missing supporting documentation (i.e., W-2, 1042-S (or signed Competent Authority letter), 8288, 8805).	Delete the entry and assign TPNC 43. (EC 896)
Form 1041 - Line 16a, Schedule G. Field 0516A contains an entry but is missing copy B of Form 2439.	Delete the entry and assign TPNC 40. (EC 896)
Form 1041 - Line 16c, Schedule G. Line 25a, Schedule G (no field) contains an entry but no Form 4136 is attached.	Assign TPNC 40. (EC 896)
Schedule G - Field 05G1C (Alternative Minimum and Schedule I is not attached. (EC 860)	Enter the taxpayers amount in Field 06IAV.
Form 1128 (Application for Change in Accounting Period) - "Y" is present in Field 01CCC, but Form 1128 is not attached. (EC 869)	Annualize the tax using the formulas in Error Code 857. See IRM 3.12.14.26, Manual Computation Instructions.
Schedule G - Field 05G07 (Schedule H). An entry is present in Field 05G07, but Schedule H is not attached. (EC 881)	GTSEC 07 and enter the amount from Field 05G07 into Field 0708V.
Schedule G - Field 05G2B (General Business Credit). Line 2b of Schedule G contains an entry is attached. (EC 887)	Delete the amount of Credit from Field 05G2B and assign TPNC 40.

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Exhibit 3.12.14-40 (01-01-2020)**General Definitions**

Subject	Description
Bankruptcy Estate Pre-BAPCPA	A separate and distinct taxable entity from the individual debtor, created when an individual debtor files for bankruptcy under Chapter 7 or 11. This creates a separate estate consisting of property that belongs to the debtor before the filing date.
Bankruptcy Estate Post-BAPCPA (filed on or after October 17, 2005)	A separate and distinct taxable entity from the individual debtor, created when an individual debtor files for bankruptcy under Chapter 7 or 11. Under Chapter 7, this creates a separate estate consisting of property that belongs to the debtor before the filing date. Under Chapter 11, this creates a separate estate consisting of property that belongs to the debtor after the filing date. When SECA tax is applicable to a Chapter 11 debtor, the SE tax is reported on a Form 1040, not the estate Form 1041.
Beneficiary	A person designated as the recipient of funds or other property under a trust or an estate.
Clifford Trust	A Grantor Trust where the assets are placed in a trust temporarily and then revert back to the grantor.
Complex Trust	A trust which, for the taxable year, does not qualify as a Simple Trust.
Conservatorship	A trust (not an estate) which is usually set up by a court for an incompetent person. (Not necessarily a trust for tax purposes)
Corpus	The principal sum or capital of a trust or an estate, as distinguished from interest or income.
Decedents Estate	Estate of a deceased person that is a taxable entity separate from the decedent. It exists until the final distributions of the assets are made to the heirs and other beneficiaries.
Estate	A legal entity created as the result of a person's death. The estate consists of the real and/or personal property of the deceased person. The estate pays any debts owed by the decedent and then distributes the balance of the estate's assets to the beneficiaries of the estate.
Fiduciary	Trustee of a trust or executor, executrix, administrator, administratrix, personal representative, or person in possession of property of a decedent's estate.
Generation Skipping Trust	A trust with younger generation beneficiaries who are more than one generation younger than the grantor's generation.
Grantor Trust	May be set up by a living person, an organization, or created by a will. The trust is set up so that the income from the trust is taxable income of the grantor. Note: A grantor trust is rarely created by a will.
Guardianship/ Custodianship	A trust usually set up for a minor. (Not necessarily a trust for tax purposes)

Exhibit 3.12.14-40 (Cont. 1) (01-01-2020)

General Definitions

Subject	Description
Inter Vivos Trust	Established by a grantor during his/her lifetime.
Irrevocable Trust	The trust cannot be repealed or annulled.
Maker, Grantor, etc.	The person/organization which originated the trust or which has control over the trust.
Non-Explicit Trust	An arrangement that has substantially the same effect as a trust will be treated as a trust, even though it is not an explicit trust. Examples of such arrangements are insurance and annuity contracts, arrangements involving life estates and remainders. Non-Explicit Trusts do not include Decedent's Estate.
Non-Taxable Grantor Trust	Income, deductions, and credits are not reported on Form 1041 (they are ordinarily reported on Form 1040).
Pooled Income Trust	A Split-Interest Trust with a remainder interest for a public charity and a life income interest retained by a donor or for another person.
Probate Estate	The same as an Estate Entity. Probating an estate in court is done to establish the will is authentic or valid.
Residual Trust	Set up to receive that part of an estate which remains after the payment of all debts, charges, devises, and bequests to entities other than the beneficiary.
Revocable Trust	The grantor may revoke the trust and will pay the taxes of the trust on a Form 1040 return, because the trust is a grantor trust. The grantor will file Form 1041 return for "Information Only" purposes.
Simple Trust	When the trust instrument requires that all income be distributed currently, with no authority to make charitable contributions, and the trust doesn't distribute amounts allocated to the corpus of the trust. Caution: A trust is a simple trust only for the year in which it distributes income and makes no other distributions to beneficiaries. For years when the trust does not meet these requirements, it is a Complex Trust.
Taxable Grantor Trust	Income, deductions, and credits are reported on Form 1041.
Testamentary Trust	Set forth or contained in a will or a formal declaration of a person's wishes as to the disposition of the property after his/her death. A paper, instrument, document, gift, appointment, etc., is said to be "Testamentary" when it is written or made so as not to take effect until after the death of the person making it, and to be revocable and retain the property under that person's control during his/her life, although he/she may have believed that it would operate as an instrument of a different character.
Trust	A legal entity created under state law and taxed under federal law. The trust can be created to do one act or a series of acts.

Exhibit 3.12.14-40 (Cont. 2) (01-01-2020)**General Definitions**

Subject	Description
Trust Under the Will	The same as a Testamentary Trust.

Exhibit 3.12.14-41 (01-01-2020)

◆ 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.
Alter form	Altering any or all line items with the intent of facilitating non-compliance with the tax laws.
Alter Jurat/UCC (Uniform Commercial Code) 1-207 or UCC 1-308	Return contains income and deductions but the jurat has been altered or stricken. May include reference to UCC 1-207 / UCC 1-308 or a statement that the returns was not signed under penalties of perjury.
Amended Returns/Form 843 Claim	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: <ul style="list-style-type: none"> a. Files a return claiming various 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 filer's identifying information but does not request a refund, often lacking sufficient information to determine a tax liability. c. Files a return with various types of rambling dialogue and/or confusing arguments that no one could reasonably view as a good faith attempt to comply with the law. d. Files a return that attempts to send some type of message or protest to the IRS, but fails to include sufficient identifying information for the Service to either determine the identity of the taxpayer or correspondent or return address.
Challenges to Authority Due Process	Questions various administrative authorities such a 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 3.12.14-41 (Cont. 1) (01-01-2020)**◆ Potential Frivolous Arguments for Examination Review ◆**

Potential Frivolous Arguments	Description
Collections Issues	Files frivolous documents contending that various collections issues are invalid (e.g., Offers in Compromise, Collection Due Process Requests, Installments Agreements, Appeals Requests, etc.) because they are not filed and/or signed by someone with delegated authority. They may have no certificate of assessment attached, do not comply in form or content with a State 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)	<p>An individual or business files a return reporting false amounts of income (generally “Other” or “Miscellaneous” income) and claims 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 Forms 1096. Other false financial instruments may be filed in the place of or in addition to the Forms 1099-OID such as 2439, promissory notes, bonds, sight drafts, etc.</p> <p>Caution: Some returns will need special care. If the with-</p> <p>Form 4227 and place in the locally designated basket for Examination, Frivolous Return Program (FRP) for review. Pay particular attention to returns with Form 1099-OID attached.</p>
IRC 861 Business Employment Tax (BMF 861)	Argument targets employers and advises them that wages are exempt from withholding. Based on 26 Code of Federal Regulations (CFR) Section 1.861, 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.

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Exhibit 3.12.14-41 (Cont. 2) (01-01-2020)

◆ Potential Frivolous Arguments for Examination Review ◆

Potential Frivolous Arguments	Description
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 taxpaying public into a “new world order”.
Not a Person	Argues that a taxpayer is not a “person” within the meaning of IRC 7701(a)(14).
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 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 return with zero money amounts. To explain the zeros inserted on the form, the individual references “U.S. vs. Long.”
Unsigned Returns	The individual completes a return but fails to 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.

Exhibit 3.12.14-41 (Cont. 3) (01-01-2020)**◆ Potential Frivolous Arguments for Examination Review ◆**

Potential Frivolous Arguments	Description
Zero Returns	Submits a return with zero money amounts on all or most of the line items on the form (e.g., IRC 861, Forms 2439, OID and other BMF filings that claim no income and request refunds). See Rev. Rul. 3004-34. A statement is attached claiming there is no section of the Internal Revenue Code that established an income tax liability. The statement may also contain arguments regarding the definition of income. There are several variations on this type of filing such as those bearing the words “nunc pro tunc” and “not liable.”
Other	All others including those listed in Notice 2010-33 or any subsequent superseding Notice. See http://www.irs.gov/Tax-Professionals/The-Truth-About-Frivolous-Tax-Arguments-Introduction on IRS.gov. 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, Collection Appeal Rights Procedures, for additional information.

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Exhibit 3.12.14-42 (01-01-2016)

U.S. Territories State Abbreviations and ZIP Codes

American Samoa (AS)

American Samoa (AS) City	ZIP Code
Faga'itua	96799
Leone	96799
Olosega Manua'	96799
Pago Pago	96799

Federated States of Micronesia (FM)

Federated States of Micronesia (FM) City	ZIP Code
Chuuk	96942
Kosrae	96944
Pohnpei	96941
Yap	96943

Guam (GU)

Guam (GU) City	ZIP Code
Agana	96910
Inarajan	96917
Merizo	96916
Tamuning	96931
Umatac	96915
Yona	96915

Marshall Islands (MH)

Marshall Islands (MH) City	ZIP Code
Ebeye	96970
Majuro	96960

Northern Marianna Islands (MP)

Northern Marianna Islands (MP) City	ZIP Code
Capitol Hill	96950
Rota	96951

Exhibit 3.12.14-42 (Cont. 1) (01-01-2016)
U.S. Territories State Abbreviations and ZIP Codes

Northern Marianna Islands (MP) City	ZIP Code
Saipan	96950
Tinian	96952

Palau (PW)

Palau (PW) City	ZIP Code
Koror	96940
Palau	96940

Puerto Rico (PR)

Puerto Rico (PR) City	ZIP Code
Adjuntas	00601
Aguada	00602
Aguadilla	00603
Aguas Buenas	00703
Aguirre	00704
Aibonito	00705
Anasco	00610
Angeles	00611
Arecibo	00612
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

Exhibit 3.12.14-42 (Cont. 2) (01-01-2016)

U.S. Territories State Abbreviations and ZIP Codes

Puerto Rico (PR) City	ZIP Code
Carolina	00982
Catano	00962
Cayey	00736
Ceiba	00735
Cerro Gordon	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
Fort Buchanan	00934
Garrachales	00652
Guanica	00653
Guayama	00784
Guayanilla	00656
Guaynabo	00965
Gurabo	00778
Hatillo	00659
Hato Rey	00936
Hormigueros	00660
Humacao	00791

Exhibit 3.12.14-42 (Cont. 3) (01-01-2016)
U.S. Territories State Abbreviations and ZIP Codes

Puerto Rico (PR) City	ZIP Code
Isabela	00662
Jayuya	00664
Juana Diaz	00795
Juncos	00777
La Cumbre	00926
Lajas	00667
La Plata	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
Mayaguez	00680
Mercedita	00715
Minillas Center	00936
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

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 459

Exhibit 3.12.14-42 (Cont. 4) (01-01-2016)

U.S. Territories State Abbreviations and ZIP Codes

Puerto Rico (PR) City	ZIP Code
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
Santurce	00936
Toa Alta	00953
Toa Baja	00949
Trujillo Alto	00976
University	00936
Utua	00641
Vega Alta	00692
Vega Baja (Box 1 - 9049)	00694
Vieques	00765
Villalba	00766

Exhibit 3.12.14-42 (Cont. 5) (01-01-2016)**U.S. Territories State Abbreviations and ZIP Codes**

Puerto Rico (PR) City	ZIP Code
Yabucoa	00767
Yauco	00698

Virgin Islands - U.S. (VI)

Virgin Islands - U.S. (VI) City	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 Annes	00820

Exhibit 3.12.14-43 (01-01-2016)

Province, State and Territory Abbreviations

Australia State

Australia State Name	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 Name	Abbreviation
Acre	AC
Alagoas	AL
Amapa	AP
Amazonas	AM
Bahia	BA
Ceara	CE
Distrito Federal	DF
Esperito Santo	ES
Goiias	GO
Maranhao	MA
Mato Grosso	MT
Mato Grosso do Sul	MS
Minas Gerais	MG
Para	PA
Paraiba	PB
Parana	PR
Pernambuco	PE
Piaui	PI

Exhibit 3.12.14-43 (Cont. 1) (01-01-2016)
Province, State and Territory Abbreviations

Brazil State Name	Abbreviation
Rio Grande do Norte	RN
Rio Grande do Sul	RS
Rio de Janeiro	RJ
Rondonia	RO
Roraima	RR
Santa Catarina	SC
Sergipe	SE
Sao Paulo	SP
Tocantins	TO

Canada Province/Territory

Canada Province Name	Province Abbreviation	Country Code (02CTY)
Alberta	AB	CA
British Columbia	BC	CA
Manitoba	MB	CA
New Brunswick	NB	CA
Newfoundland and Labrador	NL	CA
Northwest Territories	NT	CA
Nova Scotia	NS	CA
Nunavut	NU	CA
Ontario	ON	CA
Prince Edward Island	PE	CA
Quebec	QC	CA
Saskatchewan	SK	CA
Yukon	YT	CA

Cuba Provincias

Cuba Provincias Name	Abbreviation
Camaguey	CG
Ciego de Avila	CA
Cienfuegos	CF

Exhibit 3.12.14-43 (Cont. 2) (01-01-2016)
Province, State and Territory Abbreviations

Cuba Provincias Name	Abbreviation
Ciudad di La Habana	CH
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 Provincia Name	Abbreviation
Agrigento	AG
Alessandria	AL
Ancona	AN
Aosta/Aoste	AO
Arezzo	AR
Ascoli Piceno	AP
Asti	AT
Bari	BA
Belluno	BL
Benevento	BN
Bergamo	BG
Biella	BI
Bologna	BO
Bolozano Bolzen	BZ
Brescia	BS

Exhibit 3.12.14-43 (Cont. 3) (01-01-2016)
Province, State and Territory Abbreviations

Italy Provincia Name	Abbreviation
Brindisi	BR
Cagliari	CA
Caltanissetta	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
Genoa	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

Exhibit 3.12.14-43 (Cont. 4) (01-01-2016)
Province, State and Territory Abbreviations

Italy Provincia Name	Abbreviation
Macerata	MC
Mantova	MN
Massa-Carrara	MS
Matera	MT
Messina	ME
Milan	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
Ravenna	RA
Reggio de Calabria	RC
Reggio nell'Emilia	RE
Rieti	RI
Rimini	RN

Exhibit 3.12.14-43 (Cont. 5) (01-01-2016)
Province, State and Territory Abbreviations

Italy Provincia Name	Abbreviation
Roma	RM
Rovigo	RO
Salerno	SA
Sassari	SS
Savona	SV
Siena	SI
Siracusa	SR
Sondrio	SO
Taranto	TA
Teramo	TE
Terni	TR
Torino	TO
Trapani	TP
Trento	TN
Treviso	TV
Trieste	TS
Udine	UD
Varese	VA
Venezia	VE
Verbania	VB
Vercelli	VC
Verona	VR
Vibo Valentia	VV
Vicenza	VI
Viterbo	VT

Mexico State

Mexico State Name	Abbreviation
Aguascalientes	AGS
Baja California Norte	BCN
Baja California Sur	BCS

Exhibit 3.12.14-43 (Cont. 6) (01-01-2016)
Province, State and Territory Abbreviations

Mexico State Name	Abbreviation
Campeche	CAM
Chiapas	CHIS
Chihuahua	CHIH
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

Exhibit 3.12.14-43 (Cont. 7) (01-01-2016)
Province, State and Territory Abbreviations

The Netherlands Province

The Netherlands Province Name	Abbreviation
Drenthe	DR
Flevoland	FLD
Friesland	FR
Gelderland	GLD
Groningen	GN
Limburg	LB
North Brabant	NB
North Holland	NH
Overijssel	OV
South Holland	ZH
Utrecht	UT
Zeeland	SLD

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 469

Exhibit 3.12.14-44 (01-19-2023)

Tax Years and Credit Reduction States

YEAR	STATE	STATE CODE	RATE
2022	California	CA	0.3%
2022	Connecticut	CT	0.3%
2022	Illinois	IL	0.3%
2022	New York	NY	0.3%
2022	Virgin Islands (U.S.)	VI	3.6%
2021	Virgin Islands (U.S.)	VI	3.3%
2020	Virgin Islands (U.S.)	VI	3.0%
2019	Virgin Islands (U.S.)	VI	2.7%
2018	Virgin Islands (U.S.)	VI	2.4%
2017	California	CA	2.1%
2017	Virgin Islands (U.S.)	CA	2.1%
2016	California	CA	1.8%
2016	Virgin Islands (U.S.)	VI	1.8%
2015	California	CA	1.5%
2015	Connecticut	CT	2.1%
2015	Ohio	OH	1.5%
2015	Virgin Islands (U.S.)	VI	1.5%
2014	California	CA	1.2%
2014	Connecticut	CT	1.7%
2014	Indiana	IN	1.5%
2014	Kentucky	KY	1.2%
2014	New York	NY	1.2%
2014	North Carolina	NC	1.2%
2014	Ohio	OH	1.2%
2014	Virgin Islands (U.S.)	VI	1.2%
2013	Arkansas	AR	0.9%
2013	California	CA	0.9%
2013	Connecticut	CT	0.9%
2013	Delaware	DE	0.6%

Exhibit 3.12.14-44 (Cont. 1) (01-19-2023)**Tax Years and Credit Reduction States**

YEAR	STATE	STATE CODE	RATE
2013	Georgia	GA	0.9%
2013	Indiana	IN	1.2%
2013	Kentucky	KY	0.9%
2013	Missouri	MO	0.9%
2013	New York	NY	0.9%
2013	North Carolina	NC	0.9%
2013	Ohio	OH	0.9%
2013	Rhode Island	RI	0.9%
2013	Virgin Islands (U.S.)	VI	1.2%
2013	Wisconsin	WI	0.9%
2012	Arizona	AZ	0.3%
2012	Arkansas	AR	0.6%
2012	California	CA	0.6%
2012	Connecticut	CT	0.6%
2012	Delaware	DE	0.3%
2012	Florida	FL	0.6%
2012	Georgia	GA	0.6%
2012	Indiana	IN	0.9%
2012	Kentucky	KY	0.6%
2012	Missouri	MO	0.6%
2012	Nevada	NV	0.6%
2012	New Jersey	NJ	0.6%
2012	New York	NY	0.6%
2012	North Carolina	NC	0.6%
2012	Ohio	OH	0.6%
2012	Rhode Island	RI	0.6%
2012	Vermont	VT	0.3%
2012	Virgin Islands (U.S.)	VI	1.5%
2012	Wisconsin	WI	0.6%
2011	Arkansas	AR	0.3%
2011	California	CA	0.3%

Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N) 3.12.14

page 471

Exhibit 3.12.14-44 (Cont. 2) (01-19-2023)

Tax Years and Credit Reduction States

YEAR	STATE	STATE CODE	RATE
2011	Connecticut	CT	0.3%
2011	Florida	FL	0.3%
2011	Georgia	GA	0.3%
2011	Illinois	IL	0.3%
2011	Indiana	IN	0.6%
2011	Kentucky	KY	0.3%
2011	Michigan	MI	0.9%
2011	Minnesota	MN	0.3%
2011	Missouri	MO	0.3%
2011	Nevada	NV	0.3%
2011	New Jersey	NJ	0.3%
2011	New York	NY	0.3%
2011	North Carolina	NC	0.3%
2011	Ohio	OH	0.3%
2011	Pennsylvania	PA	0.3%
2011	Rhode Island	RI	0.3%
2011	Virginia	VA	0.3%
2011	Virgin Islands (U.S.)	VI	0.3%
2011	Wisconsin	WI	0.3%
2010	South Carolina	SC	0.3%
2010	Indiana	IN	0.3%
2010	Michigan	MI	0.6%
2009	Michigan	MI	0.3%
2008	None		
2007	None		
2006	None		

Exhibit 3.12.14-45 (01-18-2023)
Acronyms and Abbreviations

Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
AM	Accounts Management
APO	Army Post Office
AUR	Automated Underreporter
BBTS	Batch Block Tracking System
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
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	Employer Identification Number
EOCU	EO Compliance Unit
EPE	Elective Payment Election
ERS	Error Resolution System
etc.	Et Cetera
Exam	Examination
DPE	Deemed Payment Election
FAX	Facsimile
FPO	Fleet Post Office
FRP	Frivolous Return Program
FTF	Failure To File
GPP	General Purpose Programming

Exhibit 3.12.14-45 (Cont. 1) (01-18-2023)

Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
IAT	Integrated Automation Technologies
ICS	Integrated Collection System
ID	Identification or Identity
IDRS	Integrated Data Retrieval System
ISRP	Integrated Submission and Remittance Processing
IMF	Individual Master File
IRC	Internal Revenue Code
IRS	Internal Revenue Service
LB&I	Large Business and International
MeF	Modernized Electronic Filing
MFT	Master File Transaction
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

Exhibit 3.12.14-45 (Cont. 2) (01-18-2023)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
SERP	Servicewide Electronic Research Program (SERP)
SFR	Substitute for Return
SLA	Service Level Agreement
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
TY	Tax Year
UP	Unpostables
UCC	Uniform Commercial Code
U.S.	United States
USPS	United States Postal Service
W&I	Wage and Investment
ZIP	Zone Improvement Plan

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