



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.12.38

NOVEMBER 13, 2024

EFFECTIVE DATE

(01-01-2025)

PURPOSE

- (1) This transmits revised IRM 3.12.38, Error Resolution, BMF General Instructions.

MATERIAL CHANGES

- (1) IRM 3.12.38.1(6) - Changed Paper Processing Branch to Return Processing Branch. (IPU 24U0134 issued 01-26-2024).
- (2) IRM 3.12.38.1.7 - Updated the Related Resources and added links for navigation.
- (3) IRM 3.12.38.1.9(2) - Changed Paper Processing Branch to Return Processing Branch. (IPU 24U0134 issued 01-26-2024).
- (4) IRM 3.12.38.1.9.1(1) - Updated IRM reference for IRM Deviation Procedures. (IPU 24U0503 issued 04-10-2024).
- (5) IRM 3.12.38.1.9.2(1) - Updated TAS standard language.
- (6) IRM 3.12.38.1.9.2.1(2) - Updated hyperlink for TAS Service Level Agreements (SLAs).
- (7) IRM 3.12.38.1.15(4) - Added IRM 3.8.46 Discovered Remittance as a related IRM. SERP Feedback #18115. (IPU 24U0404 issued 03-14-2024).
- (8) IRM 3.12.38.2.7.1(3) - Updated Statute clearing exception from 2019 to 2020. (IPU 24U0187 issued 02-01-2024).
- (9) IRM 3.12.38.5.6.1(6) - Clarified the Note pertaining to the use of COMPA and ACT/InterestNet. (IPU 24U0080 issued 01-12-2024).
- (10) IRM 3.12.38.5.7(6) - Clarified credit transfer procedures and added (7) Action Code (AC) 430 clarification. (IPU 24U0347 issued 03-05-2024).
- (11) IRM 3.12.38.5.13.1(1) - Updated the File Location Code chart under DLN Format. (IPU 24U0935 issued 08-22-2024).
- (12) IRM 3.12.38.7.14.1(1) - Added new Form 709-NA, United States Gift (and Generation-Skipping Transfer) Tax Return of Nonresident Not a Citizen of the United States.
- (13) Exhibit 3.12.38-5 - Added 709-NA to the BMF, EPMF, and ANMF Reference Chart.
- (14) Exhibit 3.12.38-35 - Added the return due dates for 706-GS(D) & 706-GS(T) and updated the due date wording for Form 8804. (IPU 24U0279 issued 02-22-2024).
- (15) Exhibit 3.12.38-35 - Added new Form 709-NA, United States Gift (and Generation-Skipping Transfer) Tax Return of Nonresident Not a Citizen of the United States.
- (16) Exhibit 3.12.38-36 - Added Taxpayer Services (TS) and a **Note** about Wage and Investment (W&I) changing to Taxpayer Services. Removed Wage and Investment information. (IPU 24U0669 issued 05-22-2024).

(17) IRM 3.12.38 revised throughout to update organizational title from Wage and Investment (W&I) to Taxpayer Services (TS). (IPU 24U0669 issued 05-22-2024).

(18) Plain Language changes include:

- Used simpler words
- Removed unnecessary words
- Changed consistency sections per BMF Consistency template

Editorial changes made throughout the IRM include:

- Corrected spelling and grammatical errors
- Corrected references, citations, and links
- Updated Exhibits
- Updated dates throughout including Tax Periods and Received Dates
- Updated form titles
- Deleted old line numbers throughout

EFFECT ON OTHER DOCUMENTS

IRM 3.12.38, dated November 07, 2023 (effective January 01, 2024) is superseded. This IRM incorporates the following IRM Procedural Updates (IPUs): IPU 24U0080 issued 1/12/2024, IPU 24U0134 issued 01/26/2024, IPU 24U0187 issued 02/01/2024, IPU 24U0279 issued 02/22/2024, IPU 24U0347 issued 03/05/2024, IPU 24U0404 issued 03/14/2024, IPU 24U0503 issued 04/10/2024, IPU 24U0669 issued 05/22/24 and IPU 24U0935 issued 08/22/2024.

AUDIENCE

Taxpayer Services (TS), Submission Processing Employees

James L. Fish
Director, Submission Processing
Taxpayer Services Division

3.12.38

BMF General Instructions

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 - 3.12.38.7.7.2 Correction Procedures - UPC 307 RC 1
- 3.12.38.7.8 Unpostable Code 307 RC 2
 - 3.12.38.7.8.1 Invalid Condition - UPC 307 RC 2
 - 3.12.38.7.8.2 Correction Procedures - UPC 307 RC 2
- 3.12.38.7.9 Unpostable Code 307 RC 9 - Form 3520 Fiscal Month mis-match (OSPC only)
 - 3.12.38.7.9.1 Invalid Condition - UPC 307 RC 9
 - 3.12.38.7.9.2 Correction Procedure - UPC 307 RC 9
- 3.12.38.7.10 Unpostable Code 308 RC 6 - Magnetic Tape 940 Filing Requirement Discrepancy
 - 3.12.38.7.10.1 Invalid Condition - UPC 308 RC 6
 - 3.12.38.7.10.2 Correction Procedure - UPC 308 RC 6
- 3.12.38.7.11 Unpostable Code 309 RC 1 Tax Period/Master File Tax (MFT) Mismatch
 - 3.12.38.7.11.1 Invalid Condition - UPC 309 RC 1
 - 3.12.38.7.11.2 Correction Procedures - UPC 309 RC 1
- 3.12.38.7.12 Unpostable Code 311 RC 1 - NMF Account (KCSPC Only)
 - 3.12.38.7.12.1 Invalid Condition - UPC 311 RC 1
 - 3.12.38.7.12.2 Correction Procedures - UPC 311 RC 1
- 3.12.38.7.13 Unpostable Code - 311 RC 2 - NMF Accounts (KCSPC Only)
 - 3.12.38.7.13.1 Invalid Condition - UPC 311 RC 2
 - 3.12.38.7.13.2 Correction Procedures - UPC 311 RC 2

- 3.12.38.7.14 Unpostable Code 318 RC 1 - BMF Credit Transfer Invalid
 - 3.12.38.7.14.1 Invalid Condition - UPC 318 RC 1
 - 3.12.38.7.14.2 Correction Procedures - UPC 318 RC 1 - BMF Credit Transfer Invalid
- 3.12.38.7.15 Unpostable Code 319 RC 1
 - 3.12.38.7.15.1 Invalid Condition - UPC 319 RC 1
 - 3.12.38.7.15.2 Correction Procedures - UPC 319 RC 1
- 3.12.38.7.16 Unpostable Code 325 RC 3 - Module Balance Unavailable
 - 3.12.38.7.16.1 Invalid Condition - UPC 325 RC 3
 - 3.12.38.7.16.2 Correction Procedure - UPC 325 RC 3
- 3.12.38.7.17 Unpostable Code 328 RC 5 - Branded Prescription Drug (BPD)
 - 3.12.38.7.17.1 Invalid Condition - UPC 328 RC 5
 - 3.12.38.7.17.2 Correction Procedure - UPC 328 RC 5
- 3.12.38.7.18 Unpostable Code 328 RC 5 - Insurance Provider Fee (IPF)
 - 3.12.38.7.18.1 Invalid Condition - UPC 328 RC 5
 - 3.12.38.7.18.2 Correction Procedure - UPC 328 RC 5
- 3.12.38.7.19 Unpostable Code 328 RC 8 - Provision 4980H Employer Shared Responsibility Payment
 - 3.12.38.7.19.1 Invalid Condition - UPC 328 RC 8
 - 3.12.38.7.19.2 Correction Procedure - UPC 328 RC 8
- 3.12.38.7.20 Unpostable Code 329 RC 1 - Invalid Filing Requirements - Payments
 - 3.12.38.7.20.1 Invalid Condition - UPC 329 RC 1
 - 3.12.38.7.20.2 Correction Procedure - UPC 329 RC 1
- 3.12.38.7.21 Unpostable Code 329 RC 4 - Filing Requirements Mismatch
 - 3.12.38.7.21.1 Invalid Condition - UPC 329 RC 4
 - 3.12.38.7.21.2 Correction Procedure - UPC 329 RC 4
- 3.12.38.7.22 Unpostable Code 329 RC 9 - Filing Requirements Issue
 - 3.12.38.7.22.1 Invalid Condition - UPC 329 RC 9
 - 3.12.38.7.22.2 Correction Procedure - UPC 329 RC 9
- 3.12.38.7.23 Unpostable Code 331 RC 1 - Return Liability and Assessment Inconsistent
 - 3.12.38.7.23.1 Invalid Condition - UPC 331 RC 1
 - 3.12.38.7.23.2 Correction Procedure - UPC 331 RC 1
- 3.12.38.7.24 Unpostable Code 331 RC 3 - Return Liability and Assessment Inconsistent
 - 3.12.38.7.24.1 Invalid Condition - UPC 331 RC 3
 - 3.12.38.7.24.2 Correction Procedures - UPC 331 RC 3
- 3.12.38.7.25 Unpostable Code 331 RC 4 - Return Liability and Assessment Inconsistent
 - 3.12.38.7.25.1 Invalid Condition - UPC 331 RC 4
 - 3.12.38.7.25.2 Correction Procedures - UPC 331 RC 4
- 3.12.38.7.26 Unpostable Code 331 RC 5 - Return Liability and Assessment Inconsistent
 - 3.12.38.7.26.1 Invalid Condition - UPC 331 RC 5
 - 3.12.38.7.26.2 Correction Procedures - UPC 331 RC 5

- 3.12.38.7.27 Unpostable Code 334 RC 7 - for doc code 51
 - 3.12.38.7.27.1 Invalid Condition - UPC 334 RC 7
 - 3.12.38.7.27.2 Correction Procedures - UPC 334 RC 7
- 3.12.38.7.28 Unpostable Code 363 RC 5 TC 150 for MFT 67
 - 3.12.38.7.28.1 Invalid Condition - UPC 363 RC 5
 - 3.12.38.7.28.2 Correction Procedures - UPC 363 RC 5
- 3.12.38.7.29 Unpostable Code 385 RC 1 - TC 370 (Doc Code 51)
 - 3.12.38.7.29.1 Invalid Condition - UPC 385 RC 1
 - 3.12.38.7.29.2 Correction Procedures - UPC 385 RC 1
- 3.12.38.7.30 Unpostable Code 490 RC 3 - Invalid Tax Period
 - 3.12.38.7.30.1 Invalid Condition - UPC 490 RC 3
 - 3.12.38.7.30.2 Correction Procedures - UPC 490 RC 3
- 3.12.38.7.31 Unpostable Code 491 RC 2 - Abstract Number
 - 3.12.38.7.31.1 Correction Procedure UPC 491 RC 2
- 3.12.38.7.32 Unpostable Code 492 RC 2 - Miscellaneous Conditions
 - 3.12.38.7.32.1 Invalid Conditions - UPC 492 RC 2
 - 3.12.38.7.32.2 Correction Procedure UPC 492 RC 2
- 3.12.38.7.33 Unpostable Code 492 RC 4 - Miscellaneous Conditions
 - 3.12.38.7.33.1 Invalid Condition - UPC 492 RC 4
 - 3.12.38.7.33.2 Correction Procedure - UPC 492 RC 4
- 3.12.38.7.34 Unpostable Code 495 RC 1 - Miscellaneous Conditions
 - 3.12.38.7.34.1 Invalid Condition - UPC 495 RC 1
 - 3.12.38.7.34.2 Correction Procedure - UPC 495 RC 1
- 3.12.38.7.35 Unpostable Code 495 RC 2 - Miscellaneous Conditions
 - 3.12.38.7.35.1 Invalid Condition - UPC 495 RC 2
 - 3.12.38.7.35.2 Correction Procedure - UPC 495 RC 2
- 3.12.38.7.36 Unpostable Code 495 RC 3 - Miscellaneous Conditions
 - 3.12.38.7.36.1 Invalid Condition - UPC 495 RC 3
 - 3.12.38.7.36.2 Correction Procedure - UPC 495 RC 3
- 3.12.38.7.37 Unpostable Code 496 RC 3 - Miscellaneous Conditions
 - 3.12.38.7.37.1 Invalid Condition - UPC 496 RC 3
 - 3.12.38.7.37.2 Correction Procedure - UPC 496 RC 3
- 3.12.38.7.38 Unpostable Code 496 RC 4 - Miscellaneous Conditions
 - 3.12.38.7.38.1 Invalid Condition - UPC 496 RC 4
 - 3.12.38.7.38.2 Correction Procedure - UPC 496 RC 4
- 3.12.38.7.39 Unpostable Code 497 RC 1 and 5 - Miscellaneous Conditions
 - 3.12.38.7.39.1 Invalid Condition - UPC 497 RC 1
 - 3.12.38.7.39.2 Correction Procedures - UPC 497 RC 1
 - 3.12.38.7.39.3 Invalid Condition - UPC 497 RC 5

- 3.12.38.7.39.4 Correction Procedure - UPC 497 RC 5
- 3.12.38.7.40 Unpostable Code 499 RC 1 - Miscellaneous Conditions
 - 3.12.38.7.40.1 Invalid Condition - UPC 499 RC 1
 - 3.12.38.7.40.2 Correction Procedures - UPC 499 RC 1
- 3.12.38.7.41 Unpostable Code 499 RC 2 - Miscellaneous Conditions
 - 3.12.38.7.41.1 Invalid Condition - UPC 499 RC 2
 - 3.12.38.7.41.2 Correction Procedure - UPC 499 RC 2
- 3.12.38.7.42 Unpostable Code 499 RC 5 - Miscellaneous Conditions
 - 3.12.38.7.42.1 Invalid Condition - UPC 499 RC 5
 - 3.12.38.7.42.2 Correction Procedure - UPC 499 RC 5

Exhibits

- 3.12.38-1 ♦ Action Codes ♦
- 3.12.38-2 Action Codes on Error/Reject Registers
- 3.12.38-3 ERS Status Codes (Inventory)
- 3.12.38-4 Rejecting Records and Researching ERS Inventory
- 3.12.38-5 BMF, EPMF, and ANMF Reference Chart
- 3.12.38-6 ERS Action Code/Command Code Chart for Deleting Records
- 3.12.38-7 ERS Renumbering and Activating Unworkable Suspense Records
- 3.12.38-8 ♦ Potential Frivolous Return Arguments for Examination Review ♦
- 3.12.38-9 Form 813 with Trace ID
- 3.12.38-10 Related Reports
- 3.12.38-11 BMF Forms - ERS
- 3.12.38-12 BMF Forms - SCRS
- 3.12.38-13 Miscellaneous Related Forms
- 3.12.38-14 NAMEB
- 3.12.38-15 NAMEE
- 3.12.38-16 Entity Research
- 3.12.38-17 Entity Changes
- 3.12.38-18 Researching Unpostables
- 3.12.38-19 Corporate Files On-Line (CFOL) Input Formats
- 3.12.38-20 CFOL CC BMFOL - Quick Reference Guide
- 3.12.38-21 CC BRTVU - Quick Reference Guide
- 3.12.38-22 Tax Account Information
- 3.12.38-23 Suppressing Erroneous Notices
- 3.12.38-24 Master File Transcript Requests
- 3.12.38-25 Document Requests
- 3.12.38-26 SCFTR
- 3.12.38-27 LETER

- 3.12.38-28 Credit Transfers
- 3.12.38-29 IDRS Refunds
- 3.12.38-30 IRPTR Definers and IRPTRO
- 3.12.38-31 Case Control and History
- 3.12.38-32 Establishing IDRS Modules
- 3.12.38-33 Inputting Tax Adjustments
- 3.12.38-34 Inputting Miscellaneous Transactions
- 3.12.38-35 Due Dates of Returns
- 3.12.38-36 Acronyms and Abbreviations

3.12.38.1
(01-26-2024)
Program Scope and Objectives

- (1) This Internal Revenue Manual (IRM) contains general Business Master File (BMF) procedures for the following:
 - General Instructions, including BMF Consistency subsections
 - Control Clerk Guidelines
 - General ERS Tax Examiner Guidelines
 - General Service Center Replacement System (SCRS) Tax Examiner Guidelines
 - General Rejects Tax Examiner Guidelines
 - Manager Guidelines - reports to monitor and control inventories in Input Correction Operation
 - Unpostable Codes and Correction Procedures
- (2) Error Resolution will ensure that the tax return posts accurately and correctly to the proper taxpayer's account, providing quality customer service to taxpayers.
- (3) **Purpose:** The Error Resolution System (ERS) is a means to resolve errors made by taxpayers and correct errors made during campus processing. Rejects inventory is divided into two types:
 - Workable - replies have been received or the suspense period has expired, and the returns/documents are ready for resolution on ERS, and
 - Non-workable - returns held in suspense waiting for an action to be complete, such as, waiting for a reply to correspondence, return has been routed to another area for action, etc.
- (4) **Audience:** These procedures apply to Taxpayer Services (TS) Submission Processing (SP) Error Resolution System (ERS) and Rejects personnel:
 - Supervisory Tax Examining Assistant
 - Lead Tax Examining Technician
 - Tax Examining Technician
- (5) **Policy Owner:** Director, Submission Processing.
- (6) **Program Owner:** Return Processing Branch, Business Master File (BMF) Section.
- (7) **Primary Stakeholders:** Other areas that may be affected by these procedures include (but not limited to):
 - Accounts Management (AM)
 - Chief Counsel
 - Chief Financial Officer (CFO)
 - Compliance
 - Information Technology programmers
 - Large Business and International (LB&I)
 - Modernized E-file (MeF)
 - Small Business/Self-Employed (SBSE)
 - Statistics of Income (SOI)
 - Submission Processing (SP)
 - Tax Exempt Government Entities (TEGE)
 - Taxpayer Advocate Service (TAS)

- (8) General instructions are always overruled by the IRM for the specific form being worked when there are differences.
- (9) This IRM cannot address every possibility that occurs while correcting returns or documents. Take taxpayer intent into consideration. Refer issues not addressed in this IRM to the subject matter expert (SME), lead or manager to determine the corrective action.
- (10) Employees should exercise sound judgment when determining which Taxpayer Notice Code (TPNC) is the most appropriate to send, or when to correspond for clarification.
- (11) Procedures for the correction of specific tax returns or documents are contained in other Sections of the Internal Revenue Manual (IRM) 3.12, Error Resolution.

3.12.38.1.1
(01-02-2018)
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. The GMF programming causes a record to fall out to ERS if it fails to meet certain criteria, including:
 - Invalid characters in a field (e.g., numeric instead of alpha)
 - Invalid length of field (e.g., 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 if it differs from the taxpayer's amount, invalid tax periods, and/or eligibility for certain credits
- (2) The Rejects inventory system includes workable and non-workable (suspense) which allow for returns/documents to be held for correspondence or routed to other areas for more research and/or action.
- (3) Employees use the ERS system and the return to correct these conditions and when necessary, use IDRS 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 and Analysis Staff who will scan the case and send encrypted information to the "*TS HP" Account mailbox 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.

3.12.38.1.2
(01-01-2023)
Authority

- (1) The Internal Revenue Code of 1986 or more commonly known as the Internal Revenue Code (IRC) is the authority for these procedures specifically:
 - IRC 6201(a) and
 - IRC 6213(b).

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)
- Revenue Reconciliation 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 1.2.1, Servicewide Policies and Authorities, Servicewide Policy Statements.

3.12.38.1.3
(11-09-2017)
Roles and Responsibilities

- (1) The Director of the Submission Processing Center (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 in this IRM and maintain updated IRM procedures.

3.12.38.1.4
(01-01-2021)
Program Management and Review

- (1) **Program Goals:** Correct any errors that are identified using the Error Resolution System (ERS).
- (2) **Program Reports:** See IRM 3.12.38
- (3) **Program Effectiveness:** is measured by the following:
 - Embedded Quality Submission Processing (EQSP)
 - Balanced Measures
 - Managerial reviews
- (4) **Annual Review:** Federal Managers Financial Integrity Act (FMFIA)

3.12.38.1.5
(11-09-2017)
Program Controls

- (1) Quality Review conducts a statistical valid sample size review of completed work to ensure IRM guidelines are followed.
- (2) Management oversight level for discarding and/or destroying records as classified waste to ensure records are not disposed of or destroyed without following the Document 12990, IRS Records Control Schedules.

3.12.38.1.6 (01-01-2023) (1) The following is a list of words in this IRM that may need clarification:

Terms and Acronyms

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 BMF 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) See Exhibit 3.12.38-36, Acronyms and Abbreviations.

3.12.38.1.7 (01-01-2025) (1) The following is a list of resources available:

Related Resources

Resource	Link/Title
Servicewide Electronic Research Program (SERP)	http://serp.enterprise.irs.gov/
Instructor's Corner for Submission Processing	https://irsgov.sharepoint.com/sites/le3adm_instcrnr
Integrated Automation Technologies (IAT)	https://irsgov.sharepoint.com/sites/IAT
Integrated Data Retrieval System (IDRS)	
National Archives and Records Administration (NARA) approved Document 12990, IRS Records Control Schedules, for records retention, disposition, and destruction guidance.	

3.12.38.1.8 (01-01-2016) (1) This manual contains instructions that apply to several different functions within the Input Correction Operation:

General Explanation

- a. Control Clerk - Control the inventory received in the Input Correction Branch from other areas. They also control and release inventory to other functions.
- b. ERS/SCRS Tax Examiners - Correct returns or source documents that have failed validity, consistency or math computation and must be corrected via ERS or SCRS. They suspend work and create Rejects by

removing the document from normal processing. This allows other areas to perfect and/or review the document and allows correspondence with the taxpayer, when necessary.

- c. Rejects Tax Examiners - Handle all returns and documents suspended from normal processing. Suspended returns may need correspondence with taxpayers or to be perfected and/or reviewed by an area outside of processing.
- d. Reports - Are designed to control and monitor inventories. Some reports are designed to monitor the performance of employees.

Note: Tax Examiners and Clerks are not expected to be knowledgeable regarding portions of this manual that clearly do not relate to their work functions.

3.12.38.1.8.1
(01-01-2016)
**Suspense/Rejects
Conditions**

- (1) Returns and documents suspended from normal processing are Rejects. Work may be included in the suspense/rejects inventory for any of the following reasons:
 - Correspondence to obtain missing information or attachments
 - Numbered incorrectly
 - Needs review by another function
 - Needs more research
 - Needs re-entry due to an incorrect Block Header or a program cut - off
 - Unprocessable
 - Missing return
 - Early filed returns
 - Nullified Unpostables
 - Preparation of manual refunds, when needed.

3.12.38.1.9
(01-26-2024)
◆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) Ogden, Kansas City, and Return Processing Branch BMF Code and Edit and Error Resolution System (ERS) identified and developed topics for BMF Consistency.
- (3) A “◆” (diamond) before and after the subsection title shows BMF Consistency subsections.
- (4) Text in normal print is the common processes for BMF returns. The text in **BOLD** print is form specific and applies to this IRM only.

3.12.38.1.9.1
(04-10-2024)
**◆IRM Deviation
Procedures◆**

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

3.12.38.1.9.2
(01-01-2025)
**◆Taxpayer Advocate
Service (TAS)◆**

- (1) The Taxpayer Advocate Service is an independent organization within the Internal Revenue Service (IRS), led by the National Taxpayer Advocate, that helps taxpayers and protects taxpayer rights. TAS offers free help to taxpayers when a tax problem is causing a financial difficulty, when they’ve tried and been unable to resolve their issue with the IRS, or when they believe an IRS system, process, or procedure just isn’t working as it should. TAS strives to ensure that every taxpayer is treated fairly and knows and understands their

rights under the Taxpayer Bill of Rights. TAS has at least one taxpayer advocate office located in every state, the District of Columbia, and Puerto Rico.

- (2) TAS uses Form 12412, Operations Assistance Request (OAR), to start the OAR process of referring a case to the Taxpayer Services (TS) Division, to affect the resolution of the taxpayer's problem. For more information, refer to IRM 13.1.19, Taxpayer Advocate Service, Taxpayer Advocate Case Procedures, Advocating With Operations Assistance Requests (OARs).
- (3) Refer taxpayers to TAS when the contact meets TAS criteria or when Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order), is attached and steps can't be taken to resolve the taxpayer's issue the same day.
- (4) The definition of "same day resolution" is within 24 hours. The following two situations meet the definition of "same day resolution":
 - The issue can be resolved within 24 hours.
 - The IRS takes steps within 24 hours to resolve the taxpayer's issue.
- (5) When making a TAS referral, Use Form 911 , and forward to TAS following local procedures.
- (6) See IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria, for more information.

3.12.38.1.9.2.1
(01-01-2025)

◆TAS - Service Level Agreements (SLAs)◆

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

3.12.38.1.9.3
(01-01-2023)

◆Frivolous Arguments◆

- (1) Businesses use frivolous arguments for expressing dissatisfaction with the substance, form or administration of the tax laws by trying to illegally avoid or reduce tax liabilities. See IRM 25.25.10, Frivolous Return Program, and Exhibit 3.12.38-8 Potential Frivolous Arguments for Examination Review, for a list of recognized frivolous arguments made by businesses.
- (2) Review the return to decide whether it appears to be a frivolous return.

If	Then
<p>The return meets any of the conditions shown as a frivolous return. Exhibit 3.12.38-8 Potential Frivolous Arguments for Examination Review.</p> <p>Exception: If the return shows Action Code 331, and has a Form 4227, Intra-SC Reject or Routing Slip, attached with the remarks, "Refer to Exam FRP for audit after processing", continue to next procedure.</p>	<p>SSPND 331, remove return from batch 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, shown by an Action Code 331, and a Form 4227, Intra-SC Reject or Routing Slip, with the remarks "Refer to Exam FRP for audit after processing", but sends the return for processing.</p>	<p>Continue processing the return using procedures in the 3.12.38 IRM. However, do not circle or void the Action Code showing a frivolous return.</p> <p>Note: If the return is requesting a refund, input CCC O to freeze any refund and continue processing. When processing is complete, route the return to Exam and recharge the document.</p>

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

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

3.12.38.1.9.4
(01-01-2022)

◆ Criminal Investigation (CI) Referral ◆

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

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

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

Refund Claim	Kansas City and Ogden
	<ol style="list-style-type: none"> 1. Make a copy of the first two pages of the tax return along with any page of the return that appears suspicious. 2. Attach Form 4227, Intra-SC Reject or Routing Slip, to the copy. 3. Route the copy to Ogden, Mail Stop 9001, Criminal Investigation (CI). 4. Edit an action trail "Copy to CI", or "CI Referral", or similar language in the lower left corner going vertically up the side of the return. 5. Continue processing the return.

#

- (4) Because of the repetitive nature of the ERS/Rejects function, ERS/Rejects Tax Examining Technicians often recognize income tax return data which is outside of the norm for data found on similar returns for each income tax return type. If ERS finds return characteristics not meeting Audit Code or Exam referral criteria it deems suspicious, CI is available to review the referral.
- (5) If a suspicious return is found, and there is no sign Code and Edit (C&E) made a copy and sent to CI Referral, then do the following:
 1. Make a copy of the first two pages of the tax return along with any page of the return that appears suspicious.
 2. Attach Form 4227, Intra-SC Reject or Routing Slip to the copy.
 3. Route the copy as shown in the table below.

CI Referral Routing

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

4. Edit an action trail "Copy to CI", or "CI Referral", or similar language in the lower left corner going vertically up the side of the return.
5. Continue processing the return.
- (6) If the return fits other criteria (e.g., Frivolous Argument), take proper action.

3.12.38.1.9.5
(01-01-2022)
◆ Examination (Exam)
"Funny Box"◆

- (1) The primary goal in identifying tax returns for examination is to promote the highest degree of voluntary compliance. Examination gives support and help Submission Processing (SP) with any questionable return found during processing. Exam has a vast multitude of programs and tolerance criteria already found in several IRM sections. SP can refer any questionable returns to Exam, unless prohibited by instructions currently found in several IRMs.

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

3.12.38.1.9.6
(01-01-2024)

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

- (1) BMF ID Theft is increasing. If a case is found with attachments or correspondence showing the taxpayer is a victim of "ID Theft":
 1. SSPND with Action Code 360 to route the return to Planning and Analysis (P&A).
 2. Attach Form 4227, Intra-SC Reject or Routing Slip, (or other proper routing slip) with the notation "ID THEFT".
 3. Give the entire case to the manager/lead.
- (2) The manager/lead will expedite the case to the P&A staff for referral to one of the Submission Processing (SP) BMF ID Theft liaisons. The taxpayer must show that they are a victim of "ID Theft"; do **not** send cases that are subject to Criminal Investigation (CI), Examination (Exam) or Fraud review.

3.12.38.1.9.7
(02-13-2023)

◆ **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 shown with "CII Image - Do not correspond for signature" stamped below the signature line or "CII" annotation 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 proper 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 "More information needed to process incomplete CII return," or similar language on Form 4227 (or other proper routing slip).
The CII return has a Form 13596, Reprocessing Returns, attached and the return is incomplete (e.g., missing signature, schedules, or forms),	The return shows correspondence was sent (e.g., CCC "3" is edited on the return),	Do not route the return to AM. Continue processing the return.

If	And	Then
The CII return does not have a Form 13596, Reprocessing Returns, attached,	The return is incomplete (e.g., missing signature, schedules or forms),	Research for prior posting (TC 150 posted), <ol style="list-style-type: none"> 1. If TC 150 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.

3.12.38.1.9.8
(07-12-2022)
◆IRS Employee
Contacts◆

- (1) The Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (RRA 98), Section 3705(a), gives identification requirements for all IRS employees working tax-related matters.
- (2) All IRS employees who communicate by telephone, face to face, or any other method of correspondence with taxpayers or their personal representatives, on tax-related matters must give (at a minimum) the following information:
 - a. Telephone Contact - Their title (e.g., Mr., Mrs., Ms., Miss), last name and badge identification (ID Card) number. Toll-free employees may also give their location for identification purposes. Treat faxes to taxpayers on tax-related matters as correspondence and include the required information.
 - b. Face-to-Face Contact - Their title (e.g., Mr., Mrs., Ms., Miss), give as appropriate during the conversation, their last name and badge identification (ID Card) number.
 - c. Correspondence - (send to the taxpayer and authorized representatives) - A telephone number that taxpayers can call for answers to questions. In addition, manually generated correspondence must have the employee's title (e.g., Mr., Mrs., Ms., Miss), last name, Integrated Data Retrieval System (IDRS) number, and letter system number, which are systemically generated by IDRS. Treat faxes to taxpayers on tax-related matters as correspondence and include the required information.
 - d. Correspondence letters Specific employee name and telephone number if the employee initiating the correspondence is in the best position to respond to any questions the taxpayer may have or if the taxpayer is being asked to give more case-related information. If the taxpayer does not need to contact a specific employee, the correspondence needs only an IRS telephone number and standard signature.
- (3) When a taxpayer requests to speak with a specific employee who previously worked their inquiry or request, or complains about the level of service previously given, make every attempt to resolve the taxpayer's inquiry. If unable to resolve the issue, refer the inquiry using established procedures to the manager.

- (4) Secretaries, receptionists, or other people who answer the telephone in functional offices need to identify themselves and should give their badge identification (ID Card) number only if they are answering telephones which are routinely used to give tax or account information.
- (5) It is not necessary to repeat the badge identification (ID Card) number on a subsequent contact, when the nature of an employee's work involves multiple contacts with the same taxpayer and the employee has given the taxpayer (either telephone or in-person) his or her badge identification (ID Card) number on the first contact.

3.12.38.1.9.8.1
(07-27-2022)

◆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 will be used.
- (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 message on a taxpayer's answering machine, review:
 - IRM 10.5.1.6.7.2, Answering Machine or Voicemail
 - IRM 10.8.1, Information Technology (IT) Security, Policy and Guidance

3.12.38.1.10
(01-01-2022)

◆Customer Account
Data Engine (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 gives 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 Business Master File (BMF) campus cycles are:
 1. Campus Cycle: Thursday - Wednesday
 2. Master File Processing: Friday - Thursday
 3. Notice Review Saturday: Monday (8+ days)
 4. Unpostables: New available Tuesday; Closing Tuesday
- (4) BMF transaction posting time frames are:
 - a. Transactions viewable using Corporate Files Online (CFOL) command codes on Saturday following the weekly Master Files processing run on Thursday.
 - b. Transactions will be viewable as posted transactions using Integrated Data Retrieval System (IDRS) command codes on Monday, following the weekly Master File processing run on Thursday.

Note: Implementation of CADE 2 accelerated weekly IDRS analysis. Previous transactions such as this would have been pending on IDRS and not shown in the CFOL Command code displays.

(5) Transaction posting dates show a format of YYYYCCDD. YYYY is the year. CC is the posting cycle. Individual Master File (IMF) transactions, values for DD are:

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

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

3.12.38.1.11
(03-03-2023)
◆ 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.

Exception: Re-inputs will be edited in red erasable pen and Schedule K-1 (1041) in green ink.

(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).

(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. Write money amounts 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:

- Employer Identification Number (EIN) or Social Security Number (SSN)
- Tax Period
- Computer Condition Code (CCC)
- Received Date
- Correspondence Received Date (CRD)

Reminder: Circle out incorrect Tax Periods, Received Dates, EINs, and 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, write “Voided” with the date above the DLN in red, when voiding a return.

3.12.38.1.12
(01-01-2020)
Guidelines for Code & Editing Responses Using Edit Marks and Working Trails

- (1) Tax Examiners in the Reject Suspense function will use the following guidelines while perfecting returns/documents when taxpayers respond to correspondence.
 - (2) An “X” is used to delete an entry, or an entire Form/Schedule attached to the return.
- Note:** The terms “circle out” or “X out” are used interchangeably throughout this IRM.
- (3) Working trails/Audit trails/Action trails - See IRM 3.12.38.1.11 for editing returns in Reject/ERS programs.

3.12.38.1.13
(01-01-2016)
Computer Assisted Review of Error Resolution System (CARE)

- (1) Computer Assisted Review of Error Resolution System (CARE) is the “on-line” quality review of Taxpayer Notice Codes (TPNC) initiated by the Error Resolution System (ERS).
 - a. CARE is used to identify incorrect or erroneous Taxpayer Notice Codes (TPNC) prior to the normal review process.
 - b. Notices corrected by CARE prevent delays in refunds or balance due notices issued, preventing erroneous notices from being generated to the taxpayer.
- (2) CARE requires no manual record keeping and is truly a “Computer Assisted Review.” All statistical data regarding notice and examiner accuracy is gathered by computer programs and then downloaded to a database for analysis.
- (3) Command Code QRSEL is used to select documents to stay on the ERS Database one more day to allow for TPNC review and correction. The selection can be made using the following criteria:
 - All an examiner’s work
 - All notice codes
 - Money amount
 - Batch and block number
- (4) Documents are reviewed and reworked using instructions for specific error conditions, found in the appropriate ERS IRMs.
- (5) Corrected batches of work are released as usual to subsequent functions. With the CARE process, corrected TPNCs that post to Master File match the notice received by the taxpayer.

3.12.38.1.13.1
(01-01-2016)
CARE Reports

- (1) The LC76440 report is located on Control D and contains the data used to generate the daily review sheets. This report is imported into the CARE Reports Access Database program. Using the Reports menu, the following types of review sheets can be generated:
 - Julian Date
 - Notice Report
 - Dollar Reports
 - Employee Report
 - Cart Report
 - Custom Select Report

- (2) The LC76301 report can be found on Control D and contains data showing the before CARE and after CARE status of each return. This report is input into the CARE 2.03 Access Database to generate accuracy reports for each return. The following accuracy reports can be generated:
- Section Accuracy Rates
 - Individual Tax Examiner Report Summary
 - Team Report Summary
 - TPNC Review Report Summary
 - TPNC Review Accuracy by Team
 - Notice Code Review Totals
 - Notice Code Review by Team
 - Notice Code Review by Program
 - Quality Review Report
- (3) The Utility Window is used to specify review begin and end dates. This will allow weekly, monthly or yearly accuracy reports to be generated.
- Local reports are generated and distributed as requested by local management officials.
 - HQ reports are generated and distributed as requested by HQ CARE analyst.

3.12.38.1.13.2
(01-04-2016)
**Generating CARE
Review/Pull Listing**

- (1) Each morning, the applicable Control D reports (LC76440-BMF and LC76441-IMF) should be loaded into the CARE Access database. See IRM 3.12.38.1.13.1, CARE Reports. The daily review/pull listings are then generated and printed.
- (2) Using these listings, the returns are then located and made available to the CARE reviewers.

3.12.38.1.13.3
(01-04-2016)
**CARE Review
Procedures**

- (1) To prepare the return for review, the previously sent TPNCs must be deleted. Take the following steps in the order shown:
1. Enter the complete DLN (including the serial number of the return) from the review sheet using Command Code GTRECQ. Transmit.
 2. Enter GTSEC 01. Transmit.
 3. Delete all Computer Condition Codes (CCC) present in Field 01CCC (notate the CCC's deleted as they will be re-entered).
 4. Enter CCC "G" in Field 01CCC. Transmit.
 5. EC 010 will then display. Delete CCC "G" from Field 01CCC and re-enter any previously deleted CCCs. Transmit.
- (2) The return is now ready to be reworked and should be either corrected or a notice(s) sent. Refer to form specific IRMs.
- (3) It is important that each return is worked completely. The ERS screen will display the message, "Error Block Completed". If this message does not display, the return has not been closed and will remain in the ERS inventory.
- (4) If the return was worked incorrectly by the ERS tax examiner, feedback may be given following local procedures.

3.12.38.1.14
(02-13-2023)
Integrated Automation Technologies (IAT)

- (1) IAT provides tools to IRS employees that simplify research, reduce keystrokes and increase the accuracy of regular work processes. When used with IRS systems, it eliminates repetitive typing and assists in making precise decisions. IAT tools improve efficiency, productivity and quality by performing some functions automatically. Through more complex programming, they are designed to reduce fallout to other areas.
- (2) Managers will ensure employees understand that the use of IAT is mandatory and will verify that employees have access to all the tools needed for their duties. They will make sure that all employees receive training on the use of IAT.

Note: IDRS is used when IAT is unavailable.

- (3) See the IAT web site at <https://irs.gov.sharepoint.com/sites/IAT> for a complete list of available tools and User Guides. A few of the tools available are:
 - CREDIT TRANSFER
 - CSI
 - EMT-CASE MONITOR
 - FILL FORMS
 - NAME SEARCH
 - MANUAL REFUND
 - Payment Research Perfection (PRP)
 - REJECTS 3296
 - QUICK CC

3.12.38.1.15
(03-14-2024)
Related Manuals

- (1) This section of the manual has general error resolution procedures.
- (2) Tax Examiners or clerks - depending on the duties assigned - should be familiar with other Part III manuals.
- (3) In certain cases, knowledge of the related section of IRM 3.11, Returns and Documents Analysis, may also be required.
- (4) The following tables provide a listing of these Part III manuals and other IRMs:

Submission Processing- General

IRM	TITLE
3.0.101	Schedule K-1 Processing

Receipt & Control Branch

IRM	TITLE
3.8.46	Discovered Remittance
3.10.72	Receiving, Extracting and Sorting
3.10.73	Batching and Numbering

Submission Processing Error Resolution

IRM	TITLE
3.12.8	Information Returns Processing
3.12.10	Revenue Receipts
3.12.12	Exempt Organization Returns
3.12.13	Employment Tax Returns
3.12.14	Income Tax Returns for Estates and Trusts (Form 1041, Form 1041-QFT, and Form 1041-N)
3.12.15	Return of Partnership Income (Form 1065)
3.12.16	Corporate Income Tax Returns (Form 1120 SCRS Series, Form 1120-FSC, Form 1120-ND, and Form 1120-SF)
3.12.21	Credit & Account Transfers
3.12.22	Employee Plan Excise Tax Returns (Form 5330)
3.12.23	Excise Tax Returns (Forms 730 and 11C)
3.12.26	Tax Exempt Bond Error Resolution Procedure
3.12.32	General Unpostables
3.12.37	IMF General Instructions
3.12.106	Estate Tax Returns - Paper Correction Processing
3.12.154	Unemployment Tax Returns
3.12.166	EPMF Unpostables
3.12.179	IMF Unpostables
3.12.212	Applications for Extension of Time to File Tax Returns
3.12.213	Form 1066, U.S. REMIC Income Tax Return
3.12.217	Error Resolution Instructions for Form 1120-S
3.12.220	Error Resolution System for Excise Tax Returns
3.12.249	Error Resolution for Form 8752
3.12.251	Corporation Income Tax Returns
3.12.263	Estate and Gift Tax Returns - Error Resolution Systems (ERS) Corrections
3.12.278	Exempt Organization Unpostable Resolution
3.12.279	BMF/CAWR/PMF Unpostables
3.22.15	Foreign Partnership Withholding (Form 8804)

IRM	TITLE
3.22.19	Foreign Trust System (Form 3520 and 3520A)
3.22.110	Chapter Three Withholding (CTW) Returns - Form 1042
3.22.261	Foreign Investment in Real Property Tax Act (FIRPTA) (Form 8288 and 8288A)

Submission Processing Returns and Document Analysis

IRM	TITLE
3.11.10	Revenue Receipts
3.11.12	Exempt Organization Returns
3.11.13	Employment Tax Returns (941, 943, 944, 945, and CT-1)
3.11.14	Income Tax Returns for Estates and Trusts (Form 1041, 1041-QFT, and 1041-N)
3.11.15	Return of Partnership Income (Form 1065)
3.11.16	Corporation Income Tax Returns (Form 1120 Series)
3.11.20	Exempt Organization and Employee Plan Applications for Extension of Time to File
3.11.22	Employee Plan Excise Tax Returns (Form 5330)
3.11.23	Excise Tax Returns (Form 720, 730, 11C, and 2290)
3.11.25	Miscellaneous Tax Returns
3.11.26	Miscellaneous Tax-Exempt Governmental Entities (TEGE) Tax Returns
3.11.106	Estate and Gift Tax Returns
3.11.154	Unemployment Tax Returns
3.11.180	Allocated Tips
3.11.212	Applications for Extension of Time to File
3.11.213	Form 1066 U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return
3.11.217	Form 1120-S Corporation Income Tax Returns
3.11.249	Processing Form 8752
3.21.15	Foreign Partnership Withholding (8804)
3.21.110	Chapter Three Withholding Returns - Form 1042

Submission Processing Document Services

IRM	TITLE
3.13.2	BMF Account Numbers
3.13.12	Exempt Organization Account Numbers
3.13.36	EPMF Account Numbers
3.13.62	Media Transport and Control
3.13.122	IMF Entity Control Unpostables
3.13.222	BMF Entity Unpostable Correction Procedures

Submission Processing and MCC Accounting and Data Control

IRM	TITLE
3.17.10	Dishonored Check File (DCF) and Unidentified Remittance File (URF)
3.17.30	SC Data Controls
3.17.41	Accounting and Operating Reports
3.17.46	Automated Non-Master File Accounting
3.17.63	Redesign Revenue Accounting Control System
3.17.79	Accounting Refund Transactions
3.17.220	Excess Collections File
3.17.221	Enterprise Computing Center Data Controls
3.17.243	Miscellaneous Accounting
3.17.277	Electronic Payments

Information Systems Multifunctional Handbooks

IRM Chapters	TITLE
2.3	IDRS Terminal Responses
2.4	IDRS Terminal Input

(5) **Other related IRMs:**

IRM	TITLE
20.2	Interest
21.2.4	Master File Accounts Maintenance
Document 6209	IRS Processing Codes and Information

- 3.12.38.2
(01-01-2016)
Control Clerk Guidelines
- (1) This section of the manual lists the procedures that are performed by Control Clerks. The duties include:
- Receiving, sorting, and distributing work
 - Document control
 - Input of correspondence
 - Control of registers
 - Maintaining Suspense File and Charge-outs
 - Various other clerical functions
- 3.12.38.2.1
(01-01-2016)
Control of Error Documents
- (1) The control clerk is responsible for the control of error documents. This includes the following:
- Controlling transcription carts
 - Alpha Block Control
 - Document charge out requests
 - Related processing for payment documents
- 3.12.38.2.1.1
(01-01-2021)
Transcription Carts
- (1) At most Submission Processing Centers (SPCs), the carts of documents are retained until:
- a. SCRS - the first loop register has been worked and Statistics of Income (SOI) pulled, or three days.
 - b. ERS - all items in error inventory have been worked.
 - c. Block-Out-of-Balance (BOB) blocks are pulled from the regular error carts and routed to the BOB resolution function.
- Note:** The blocks are returned and placed on separate carts after resolution; they are identified by new work group after resolution.
- (2) To maintain effective control, it is imperative that all documents be identified by work group based on the Julian date of processing through the Generalized Mainline Framework (GMF).
- (3) Any documents that can't be sent to Files within the normal 4-5 day period should be maintained in a researchable order by work group, so the documents can be pulled by Files personnel.
- Reminder:** When ERS no longer needs the carts, route them to Files or a staging area designated by Files.
- Exception:** Route Form 1096 processed on ISRP to the Data Conversion Operation Control area or SCRIPS unit for retention imaging instead of sending the carts to Files. Site management preference designates which area will receive the documents for imaging once ERS processes are complete.
- 3.12.38.2.1.1.1
(01-01-2016)
Alpha Block Control Number (ABC) Listing or Batch Transmittal
- (1) Each block of documents (including single-document re-inputs) is checked off the ABC listing or the Batch Transmittal as it is associated with the error register or ERS listing.
- (2) Any block, containing no errors, that has not been pulled for BOBs, Data Conversion or Accounting, should be removed from the batch cart. Check against SCCF to ensure the block has been processed.

- (3) Use any ERS terminal to input Command Code (CC) SCFTR. Enter in the following format:
 - enter SCFTR
 - a space
 - enter the Master File Code (BMF-2, Information Returns Processing IRP-5, or Non Master File NMF-6)
 - enter the 12-digit block Document Locator Number (DLN) (without hyphens)
 - transmit
- (4) The response screen should show that the block has already been processed by showing the 0-5 (or 1-5) control record with the entire count of the block and machine Alpha Block Control Number (ABC). The error, reject, and suspense counts in the header should be blank for original blocks. For reentries, the ABC and serial number of the 0-5 or 1-5 control record should match the Form 3893.
- (5) As an alternative, the SCF 11-51 listing may be utilized.
- (6) If any “left-over” blocks cannot be located on the SCCF, more steps should be taken:
 - a. Check for extra unassociated error registers, Error Inventory listings or BOB registers going back and forward at least two days.
 - b. For ERS documents, research using CC ERINV.
 - c. Recheck the SCRS tape listing and ISRP mismatch listing back and forward at least two days.
 - d. Check the Edit Reject List, normally available in the BOB unit.
 - e. Check leftover error, ERS, and BOB listings for matching alpha and batch number, indicating that the block has been input with the wrong DLN.
 - f. Research the Batch Transmittals to determine when the block was supposed to be input.
 - g. If all else fails, leave the block with the Data Controls Unit as a potential unprocessed block.

3.12.38.2.1.2
(01-01-2016)
Charge Out Requests

- (1) Most document requests are processed by the Files function. However, priority charge-out requests will be honored when the blocks are located in Error Correction.
 - 1. Form 2275 or Form 4251 are received for each document to be pulled for other campus functions.
 - 2. Attach the original request to the document being pulled and file the second copy as a substitute for the document.
 - 3. Form 8161 is received as a charge-out for ERS suspense documents and deleted ERS documents.

Note: “Program Analysis” charge-outs will be placed on top of the appropriate carts and used to pull the documents immediately before the cart is released to Files.

3.12.38.2.1.3
(01-01-2020)

**Related Processing for
Payment Documents**

- (1) Some documents will be separately sorted, blocked, and numbered so that they can be easily routed to other campus functions for subsequent actions:
 - Federal Unemployment Tax Act (FUTA) Unit - 4010C/4011C/380C
 - Entity Control - Returns without Taxpayer Identification Numbers (TINs)
 - Document Services - Federal Tax Deposit (FTD) Penalty Assessment Letter 313-C
 - Combined Annual Wage Reconciliation (CAWR) Unit - 98C/99C/2057C
 - Rejects - Correspondence
- (2) Form 813 is routed to Files after the errors are corrected for these documents.
- (3) The documents will be routed to the appropriate areas.

Reminder: If these documents need to be suspended, a photocopy will be made before routing. The photocopy will be associated with the suspended item.

- (4) All other documents will be routed to Files.

3.12.38.2.2
(08-11-2023)

**Form 6826 - Service
Center Replacement
System (SCRS)
Error/Reject Display
Request Card**

- (1) This section lists the procedures for Form 6826, SCRS Error/Reject Display Request Card and the IRWorks Request Fulfillment (RF) Ticket request.
- (2) Information in this section includes the following:
 - Purpose of the Form 6826
 - Form 6826, Section I - Beginning SC Block Number Card (ABC Card)
 - Form 6826, Section II - Error Display Card
 - Form 6826, Section III - Reject Display Card
 - Form 6826, Section IV - Error Sort Card
 - Error Display Run Control Report
 - Form 6826, Section V - Reject Sort Card
 - IRWorks RF Ticket request

3.12.38.2.2.1
(02-13-2023)

Purpose of Form 6826

- (1) The error and reject register correction systems provide a great deal of flexibility in deciding what registers and inventory listings will be printed each day, and in what sequence.
 - Form 6826, SCRS Error/Reject Display Request Card is prepared to select the needed printouts. It is for register processing for all Master Files. Programs that have been converted to ERS cannot be affected by this form. Form 6826 is now PDF fillable and is available on the publishing website.
 - The program provides a “default value” that determines what will be printed when no card is input.
- (2) Sections I, II, and IV of Form 6826 are used for error registers. Sections III and V are for rejects.
 - a. The error correction sections are normally prepared in the Error Correction Control Unit and are input to run the GMF-10.
 - b. The rejects sections may be prepared by the Control Unit, Rejects Unit supervisor, or the lead TE and are input to run the GMF-11.

3.12.38.2.2.2
(01-01-2016)
**Beginning SC Block
Number Card (ABC
Card)**

- (1) This card will be prepared when the Correction ABC/Sequence Number (SN) is generated.
1. Examine the Information Run Control Data, from the Error Display Run Control Report GMF 10-40 of the previous day.
 2. Enter the Beginning ABC (for the next day) in Section I, of Form 6826.

3.12.38.2.2.3
(01-01-2016)
**Form 6826, Section II -
Error Display Card**

- (1) The Error Display Card is to request the printing of raw and loop error records from the error tape and must be input daily.

If	Then
An Error Display Card is not input on a particular day,	BMF - Only the raw error documents will print on the register.
An Error Display Card is not input on a particular day,	Employee Plans Master File (EPMF) - Nothing will appear on the register.

- a. Each horizontal line on the Error Display Card represents a computer line.
 - b. A separate line must be completed for each Master File.
 - Circle the appropriate Master File Identification Code number on the Error Display Card (2 for BMF).
- (2) A separate line must also be completed, if only certain programs within a Master File are being requested. Use the Program Number field to select specific programs within a Master File, to be printed on the register. Enter the complete Program Number or enter any lead numeric followed by Xs. The program numbers may be entered as follows:
- Leave blank or enter "XXXXX" - All programs within a Master File will print on the error register.
 - "NXXXX" - All programs with the same first digit will print, "NNXXX" - will print all program with the same first and second digits, etc.
 - "NNNNN" - Only one program will print (for example, 12401).
- (3) Use the Raw field to select the raw error records to be printed on the register. This field contains seven positions for year and Julian date (YYYYDDD). A request for loop registers will override the default values which have been set.

Caution: If loop registers are requested, and a card is not input to request the raw register, only the loop register will print.

- a. If error records for one Error SN Julian date, are requested, enter as YYYYDDD in the "From" column and leave the "To" column blank.
 - b. All error records which have Error SN Julian dates greater than or equal to the first YYYYDDD and less than or equal to the second YYYYDDD will be selected for printing as raw errors.
 - c. Check the Daily Error Volume Report - GMF 10-43 to determine which Julian dates are on the error file.
- (4) Loops, first through fifth - The same criteria for raw errors applies to loop errors.

- (5) Subsequent Loop (YYYYDDD Only) - All error records that have Error SN Julian dates less than or equal to the YYYYDDD entered, will print as “sixth loop or over” errors.
- (6) Be sure that all records with old Julian dates are printed on the error register.
- Note:** Except for Information Report Program (IRP), no record should remain in error status for more than 3 weeks.
- (7) Valid Error Display Cards will appear on the listing with nothing printed in the last column of the report. The last column of the report does not have a printed title.
- (8) Invalid Error Display Cards will appear on the listing with “INVALID” printed in the last column. The Error Display Cards are invalid if any of the following conditions are present:
- The Master File Identification (ID) Code is not 1, 2, 3, 4, or 5. If the code is invalid, the card will print on the listing for Individual Master File (IMF).
 - The program number entered is not in a valid format.
 - A Julian date is entered for the “TO” column and the “FROM” column is blank.
 - The Julian date is not numeric.
 - The day portion of the Julian date is not 001-366.

Note: The items listed as “invalid” will not print on the error register.

3.12.38.2.2.4
(01-01-2016)
**Form 6826, Section III -
Reject Display Card**

- (1) This card should be input whenever a Reject Inventory or Aged List is required, or reject loop registers should be printed.
- If no card is input, only the raw rejects will be printed.
 - If Inventory and Aged Lists and loop registers are always printed on the same day of the week, the same card may be used by the Computer Branch.
- (2) Prepare the Reject Display Card as follows:
- Circle the “RD” for each Reject Display card being prepared.
 - Circle the appropriate Master File. A separate card must be prepared for each SCRS file. (2 = BMF)
 - Enter the program number only if the request applies only to a particular program or group of programs. For a group of programs, enter succeeding X fillers. Other requests with the program number blank may be used to request all remaining items on a Master File.
- Example:** For example, enter 728XX to request all the EPMF programs or 72830 to restrict the request to a single major program.
- Circle the “1” for “Print Raw Rejects”. If the card is prepared, this position must be circled for each Master File or the raw rejects will not print.
- Note:** Circle “1” for “Reprint Raw Rejects” if registers have been printed incorrectly and must be reprinted.
- Circle “1” for “Print Loop” if the loop should be printed on this day. To avoid duplicate registers, the loop is normally not requested until all the previous loop has been input for the designated file.

- f. If the Reject Inventory List should be printed on this day, circle a number for "Reject Inventory List". The available sorts for the inventory list are shown in the lower-right corner of the Form 6826.

Caution: Be sure to circle only one number. For instance, if the list should be printed in both Document Locator Number (DLN) and Reject Sequence Number (RSN) order, circle 3, not 1 and 2.

- g. To print the Aged List circle one number for "Aged List" using the same code shown on the form.

3.12.38.2.2.5
(01-01-2016)
**Form 6826, Section IV -
Error Sort Card**

- (1) Prepare an Error Sort Card to request changes to the following conditions:
 - The order the error records will print
 - The Error Pull List - whether to print or not
 - The computer generation of the Alpha Block Control Number and correction record Serial Numbers (ABC/SN) - to generate or not
- (2) Generally, the sort requests should not change from day to day. If a request is not input, the computer will default to the last request made.
- (3) Each horizontal line on the Error Sort Card represents a computer line. A separate line must be prepared for each Master File. Circle for the appropriate Master File Code as follows:
 - 1 = IMF/Individual Retirement Account File (IRAF)
 - 2 = BMF
 - 3 = Employee Plans Master File (EPMF)
 - 5 = Information Returns Processing (IRP)
- (4) The Print Sequence field determines whether the error records are printed in transcribed batch sequence or in DLN sequence. Circle the appropriate number on the card for Raw, First, Second and Subsequent Loops.
 - a. Code 1 - Transcribed Document Locator Sequence. The error registers are printed in the following order: Error Sequence Julian date, Program Number, Batch Number, SC Block Control Number and DLN Serial Number.
 - b. Code 2 - Files DLN Sequence Within Loop. The error register is printed in Files DLN order within each Error Sequence Julian date within each loop, use this code for raw and loop registers.
 - c. Code 3 - Files DLN Sequence Without Regard for Loop. The Loop error registers is printed in Files DLN order.
- (5) Circle "1" for each register to print an Error Pull List.

Note: If the Error Pull List is not to be printed, do not circle a number.

- (6) Correction ABC/SN - This field determines whether the computer will generate correction record ABC/SN for raw and first loop records. Circle the appropriate number or leave blank if the numbering is not to be generated.
 - Code 1 - Raw errors only
 - Code 2 - Raw and first loop errors
 - Code 3 - Raw and all loops - until the form is revised to show this option, enter the numeric 3 on Form 6826

- (7) If the Correction ABC/SN has been computer generated, a computer card must be prepared daily to assign the beginning ABC.
- If a Beginning SC Block Number Card is not input to update the generated ABC, the computer will default to "/22".
 - It is recommended that a Beginning SC Block Number Card be input so that the ABCs will not be duplicated from day to day.
 - The Beginning Service Center (SC) Block Number is listed on page 3 of the Error Display Run Control Report.

3.12.38.2.2.5.1
(01-01-2016)
**Error Display Run
Control Report**

- (1) Error Sort Cards are validated and printed on the Error Display Run Control Report. The Error Sort Requests show the Old Error Sort Parameters, the Error Sort Requests Input, and the New Error Sort Parameters.
- (2) Valid Error Sort Requests Input will appear on the listing with nothing printed in the last column of the report.
- (3) Error Sort Requests will also appear on the listing with "INVALID" printed in the last column if any of the following combinations are entered:
- Print Sequence Key for First Loop is 3 and for Second and/or Advance Loops is 1 or 2.
 - Print Sequence Key for Second Loop is 3 and for Advanced Loops is 1 or 2.
 - Print Sequence Key for First Loop is 3 and the Correction ABC/SN code is 2.
- (4) If a valid Error Sort Request was input, the New Error Sort Parameters should be identical to the valid Error Sort Request. Otherwise, the New Error Sort Parameters should be equal to the old Error Sort Parameters.

3.12.38.2.2.6
(01-01-2016)
**Form 6826, Section V -
Reject Sort Card**

- (1) This card is prepared only if the Rejects Unit wishes to change the way that registers are sorted or the way the Current Reject Listing or Pull List is printed.
- Prepare Section V on the back of Form 6826 to establish a standard print format for the Reject Register, Current Reject Listing, and Pull List.
 - Once the desired sort is determined, the same card will be used each day by the Computer Branch. No new card is needed unless the Reject function changes procedures.

3.12.38.2.2.6.1
(01-01-2016)
**Preparing the Reject
Sort Card**

- (1) Circle "RS" for each Reject Sort card being prepared.
- (2) Circle the desired Master File. A separate line must be used for each file.
- (3) Circle the sort option desired for the reject register.
- a. Circle "1" to sort the register in Files DLN sequence.
 - b. Circle "2" to sort first by the source of the reject.

Note: All Rejects coming from errors, BOBS, raw data, or Unpostables will be printed separately.

Note: The sort within each source is by DLN for errors, BOBS, or Unpostables and by transcribed document sequence for raw data.

- (4) Circle the sort desired for the Current Reject Listing. Circle “3” if the list should be printed in both DLN and RSN sequence.
- (5) Indicate the desired loop print sequence.
 - a. Circle “1” if the loop should be printed in strict DLN sequence, without regard to loop.
 - b. Circle “2” if each loop should be printed separately.
 - c. Circle “3” if only the first loop should be printed separately, with all other loops combined.
- (6) If one or more Reject Pull Lists is used, indicate the requested lists.
- (7) If a pull list is used for all reject registers, circle the “1” for “Raw”, “First Loop”, and “Other Loop”.

3.12.38.2.2.7
(08-11-2023)
**IRWorks Request
Fulfillment (RF) Ticket
Request**

- (1) Complete Form 6826 electronically and follow the steps below to input the IRWorks RF
 - 1. Go to IRS Service Central from the IRS homepage
 - 2. On the main page of IRWorks, click on the smart search button and type in “Batch Processing/Job Scheduling-Unisys” and select “18370-Batch Processing/Job Scheduling-Unisys”
 - 3. On the next screen input the below information:
Application: GMF SCF Reject Display Error Cards
Type of Work: Job Run
Description: GMF SCF Reject Display Error Cards for (enter your site)
Example: GMF SCF Reject Display Error Cards for Ogden SC
 - 4. After completing the information in the above fields, select “Add to Cart”
 - 5. The next screen is where you will add your Form 6826 SCRS order card by following the steps below:
 Locate the SCRS order card file
 Click on the file and open. This will attach the file to your ticket.
Caution: Verify Form 6826 is added before moving forward. If the file is not there, go back and add the file.
 - 6. Once you have added Form 6826, click the save button and then checkout.
 - 7. On the next screen, click the clock/calendar button and select today’s date for the order.
 - 8. In the Purpose box, add the following text: “Please follow the attached file for the SCRS order card for (enter your site)”.
 - 9. Once you have completed all of the above steps, click on the submit button. Your order ticket is complete.

3.12.38.2.3
(01-01-2016)
**Control of Error
Registers**

- (1) This section of the IRM lists the procedures that are to be performed to maintain the control of error registers.
- (2) Information in this section includes the following:
 - General control procedures
 - Daily Error Volume Report, GMF 10-43
 - Error Register Summary
 - Associate Error Registers with documents

- Control of Loop Registers
- Error Pull List, GMF 10-42
- Disposition of Completed Registers

3.12.38.2.3.1
(01-01-2016)
**General Control
Procedures**

- (1) As new data enters the Submission Processing Center (SPC) computer, the computer performs:
 - Validity and consistency checks
 - Mathematically verifies taxpayer computations
 - Codes the data to assure taxpayer notification of errors
- (2) After data for an input document passes all required checks, it is sent to the Martinsburg Computing Center (MCC). This is known as good tape.
- (3) If the data for an input document does not pass all the required checks, the record is placed in error status.

Note: The error sequence numbers will have gaps because the same series of numbers is used for BOB registers.

- (4) The last number on the right side of the Document ID line is a register counter to be used to count the number of errors within a batch of work.
- (5) The Error Display Run Control Report, GMF 10-40, is generated daily as a computer summary of the error processing for the day. This report reflects the totals for the:
 - Error Register Summary
 - Pull List
 - Daily Error Volume Report
- (6) Three portions of this report are used in preparing Form 6826, Error/Reject Display Request Card. See IRM 3.12.38.2.2.

3.12.38.2.3.2
(01-01-2016)
**Daily Error Volume
Report, GMF 10-43**

- (1) The Daily Error Volume Report is a listing of volumes of error records in each program on the error tape.
 - This report is used to schedule the workload for Error Resolution and to prepare Error Display Requests.
 - Review the report when preparing the daily Error Display Card to be sure the correct error Julian dates are being requested.
 - If any items are shown with a Program Number of "00000" determine which programs are not recognized by number and follow the procedures in IRM 3.30.126, Control Data Analysis, for updating the Program Number Master List.
- (2) The information is provided by Master File in Error Sequence Number by Julian date.
 - There is a summary page for each Master File system. It is in the same format as the detail page, except that the word "Summary" is printed on the second print line.
 - The last line of the report contains the total volume for all programs within the Master File and Julian date specified.

3.12.38.2.3.3
(01-01-2016)
**Error Register Summary,
GMF 10-42**

- (1) The Error Register Summary is produced when the error register is printed.
 - a. GMF 10-42 reflects the count of all the error documents printed on the register for that day.
 - b. This summary is created by management to maintain a daily count of work in the Error Correction function.
- (2) This summary contains totals for each type of error document by Program Number and error status (for example, Raw, 1st Loop, and Advanced Loops).
 - The count by loops is based on the Julian dates designated by the Error Display Card.

Note: The computer does not independently determine how many times a record has appeared on an error register.
- (3) The listing also provides the total error documents in error status for all program numbers within a Master File. It is not a comprehensive total of all records on the error tape. Those figures are available on the Daily Error Volume Report.

3.12.38.2.3.4
(01-01-2016)
**Associate Error
Registers with
Documents**

- (1) The Error Correction Control function receives the error register from the Computer Branch normally within half a day after receiving the carts of newly transcribed documents.
 - After verifying with the Error Register Summary that the correct registers have been received, the registers are sorted by batch number for association with the documents.
 - The control clerk assigns portions of the error register with the related document cart to the various units.
- (2) Many SPCs use various local controlling, routing, or sign-out forms prepared by the Error Correction Control function.

3.12.38.2.3.5
(01-01-2016)
**Control of Loop
Registers**

- (1) Each error register is corrected, transcribed, and re-validated. If the record is still unresolved, a loop error register is printed and worked in the same manner as the original register.
 - In some cases, the original register has not been corrected or transcribed and the loop will be identical to the original register.
 - The raw registers may be retained and compared to the loop, to help identify program or transcription problems.
- (2) In most SPCs, first loop registers are worked directly from the document carts in the same manner as raw.
- (3) For second loop, all documents should be pulled from the blocks and associated directly with the individual error registers.
 - Be sure to indicate on the Block Header, Form 1332 or Form 813, that the document is being pulled for error loop.
 - Be sure that old error records do not remain in the inventory for an extended period.

Exception: Information Returns Processing (IRP)

- (4) All errors should be corrected or rejected within three weeks of the Error Sequence Julian date.

Note: Carefully monitor the Daily Error Volume Reports, GMF 10-43 to ensure that this procedure is being followed. Only transactions in the reject file are available for IDRS research by other functions within IRS.

3.12.38.2.3.6
(01-01-2016)
**Error Pull List, GMF
10-42**

- (1) The Error Pull List, GMF 10-42 is used as an aid for locating source documents for error register items. It is printed in the same format as the error registers.
- (2) The list is printed for the loop in which the documents will be pulled from the block, for association with the register.
- It is printed for raw errors, first loop, second loop, or subsequent loops.
 - The listing is used as a check list as the documents are pulled.
- (3) The Error Pull List Summary may be used to assist in scheduling the resources needed to pull documents.

3.12.38.2.3.7
(01-01-2016)
**Disposition of
Completed Registers**

- (1) Corrected error registers are released to the control function as the pages are completed by Tax Examiners and/or Quality Review. They are batched and routed to ISRP throughout the workday until the daily cut-off.

Reminder: The last transmittal for the day's registers should be marked final.

- (2) Each block of registers must have a correction alpha block control (ABC) and each corrected register requires a serial number. If the ABC is generated and is to be transcribed:
- It must be underlined for the first record of the register block. An ABC sticker must be used, if the ABC is not generated or is not to be transcribed. The sticker will take priority over the generated ABC.
 - If the Serial Number (SN) is not generated, an SN must be stamped or written above and to the right of the "@@" signs. If the SN is generated, but is not to be transcribed, the SN must be stamped (or written) above the generated number. (The generated SN will not be lined through in this case.)
- (3) If a record on the error register is not to be corrected at all for that day, the SN must not be stamped or written onto the register for that record. In addition, if a generated SN is present, it must be lined through. The absence of any SN or the presence of a lined through SN will indicate to ISRP not to transcribe any correction data for that record.
- (4) The error registers are returned to Error Correction after transcription. They may be destroyed after verification that no unusual problems have occurred on the subsequent loop.

3.12.38.2.4
(01-01-2016)
**Control of Reject
Registers**

- (1) This section of the manual lists the procedures that are to be performed to maintain control of Reject registers. Information in this section includes the following:

- General reject register control procedures
- Reject Sequence Number (RSN)
- Reject Inventory List, GMF 11-43
- Pulling Reject Documents, GMF 11-44
- Control of Reject Loop Registers
- Reject Register Summary, GMF 11-45
- Disposition of Reject Registers (coding and routing)
- Reject Correction Verification List, GMF 11-48
- Reject Disposition List, GMF 11-47

3.12.38.2.4.1
(01-01-2016)
**General Reject Register
Control Procedures**

- (1) Each reject register must be associated with the source document. The specific procedures for pulling and associating the documents are determined by SPC management.

3.12.38.2.4.1.1
(01-01-2016)
**Reject Sequence
Number (RSN)**

- (1) The RSN is used to access each record on the file. It is 10 digits, and it is displayed in the format of "X-XXX-XXXXXX". The RSN format is described in the following table:

Position	Content Description
1	Year digit
2 through 4	Julian date plus 600
5 through 10	Consecutive serial numbers beginning with 000001 for all new rejects on the file

3.12.38.2.4.2
(01-01-2016)
**Reject Inventory List,
GMF 11-43**

- (1) The Reject Inventory List, GMF 11-43 is a listing of all items in the reject inventory as of date of the listing. It can be sorted by any of the following:
- Document Locator Number (DLN)
 - Reject Sequence Number (RSN)
 - EIN
- (2) The inventory list should be generated at least once a week as a research tool for items in rejects.
- (3) Retain this list for at least one year.

Note: The report is available online and can be accessed for the past 12 months, so it is not necessary to retain paper copies. If documentation is made on the reports, the paper copy should be retained for one year.

- (4) The Reject Display Card is used to request the inventory list and select the sequence(s) for the printed list.

3.12.38.2.4.3
(01-01-2016)
**Pulling Reject
Documents, GMF 11-44**

- (1) The Reject Pull List, GMF 11-44 is a list of items in the reject inventory and is printed upon request. The list is always printed in the same sequence as the reject register. If the registers are sorted by source, the headings will show the registers as:

- From Errors
- From Raw Input
- From UNP
- From BOB

- (2) Use the Reject Sort Card to request the Pull List to designate whether the registers will be sorted by source.

Note: The Pull List is optional and may be printed for raw or loop rejects, or both.

- (3) As the document is rejected, it may be pulled by:

- Files,
- Error Correction Cycle Control Unit,
- Reject Control Unit, or
- Each tax examiner.

- (4) The documents may be pulled from the reject register or from the Pull List.

Note: Each document must be charged out, by indicating on Form 1332 or Form 813 that the document is being sent to Rejects.

3.12.38.2.4.4
(01-01-2016)
**Receipt of Documents
and Registers**

- (1) Upon receipt of the documents and registers, the Reject Control Clerk will compare document and register for correct association:

- Make sure that all documents are received or noted as missing.
- Sort the various types of reject cases.

- (2) Route the work to the applicable functions within the unit. The following cases should be worked on a priority basis:

- Non-correspondence returns for which refund interest may be payable.
- Subsequent payment documents (Document Codes 17, 18, or 19, TC 670).

- (3) Some reject registers will be received without documents.

- Remittance Processing System (RPS) TC 610 documents are pulled by Error Correction and routed separately to Rejects.
- Service Center Deletes have already been pulled by Data Control in Accounting.
- Missing document registers should be maintained in a missing suspense file.

Note: Verify the DLN and alpha with Data Control and code the register with Action Code 2-R.

3.12.38.2.4.4.1
(01-01-2016)
**Documents Received
Without a Reject
Register**

- (1) When documents are received without a Reject Register, take the following action(s):
 1. Research using the appropriate CCs to determine if the document is in Rejects, including SCFTR for the date of the register,
 2. Check the reject DLN inventory listing to verify that the document is a reject case,
 3. If the document is found on the inventory listing, check the missing reject suspense file for association.
- (2) In cases where items are listed on inventory and the original register cannot be located, use the reject file copy and replace it with a photocopy.
- (3) If a file copy is not available, reconstruct the register as follows:
 1. Use a photocopy of a reject file copy register with the same format as the document,
 2. Line through and rewrite above the RSN the document sequence number,
 3. Line through pertinent data on the register, such as the EIN, to ensure that the register will loop,
 4. Route the photocopy of the register to ISRP for input,
 5. When the reject item appears on the loop, it should have all the data applicable to the document. Associate the loop register with document and work the case as required.
- (4) If the document is not on the reject inventory listing, route to a senior technician for research to determine if the transaction has posted to the Master File.

3.12.38.2.4.5
(01-01-2016)
**Control of Reject Loop
Registers**

- (1) Each corrected reject record is subject to the normal validity checks just as any error record.
 - The record becomes a reject loop if the correction fails to clear to “good tape” or delete from the reject file.
 - Each time the register is printed, every record in loop status is re-displayed.
 - A reject loop record can be returned to a regular reject status with Action Code “9”. This will prevent the record from reprinting each time.
- (2) Reject loop records are part of the reject inventory and will print on the Reject Inventory List, Reject Aged List, and Reject Disposition List. Corrected loop records do not print on the Correction Verification List
 - Any action that is valid on a reject register is also valid on a reject loop register.
 - It is not necessary to re-reject the record before deleting it with Action Code 2.
- (3) Reject loop registers must be associated with the documents the same way as raw rejects.
 - Separate Reject Pull Lists may be requested for reject first loop or any subsequent loop.

- If the corrected raw reject documents were sent to Files, the first loop pull list should be sent with the registers to the Files Cycle Control function.
- (4) Reject loop registers should be printed at least once a week but may be printed as often as daily. As Program Completion Dates (PCD) approach, the loop registers for those programs should be requested more than once a week.

Note: Loop registers may be requested by individual program number or by Master File Tax Code (MFT).

- (5) Use the Reject Display Card to request printing of the loop.
- (6) Use the Reject Sort Card to determine the print sequence and to request the pull list.
- (7) If a document reappears on the loop register more than four cycles and it is not due to a programming issue, coordinate with your Lead/Manager, at their discretion, to:
- Ensure accurate input through Data, or
 - Re-input the document with a Form 3893 and put an Action Code 2-R on the register, or
 - Cancel a zero balance return to files with an Action Code 2-D.

3.12.38.2.4.6
(01-01-2016)

**Reject Register
Summary, GMF 11-45**

- (1) The Reject Register Summary, GMF 11-45 lists all programs and categories of reject registers for the day and is:
- Used to ensure that all registers have been received.
 - Used to assist in work assignments of resource allocation.

3.12.38.2.4.7
(01-01-2016)

**Disposition of Reject
Registers (Coding and
Routing)**

- (1) Batch the completed reject registers for data transcription as follows:
1. Separate the documents and route to Files or other holding area as determined by SPC management,
 2. Sort the registers into raw and loop, by Master File,
 3. Separate the corrected from the deleted register, and
 4. Group into blocks of 100 or fewer registers.
- (2) Assign a sequential Serial Number to each register.
- Enter the serial number immediately above the Reject Sequence Number.
 - Number the registers consecutively, beginning with 00.
- (3) Enter an alpha sticker on the top-left corner of the first document in each block. Prepare a transmittal to ISRP according to local procedures.
- (4) The registers are returned after transcription and matched against the Reject Correction Verification List.
- Deleted registers are filed and retained for one year.
 - Corrected raw reject registers are retained for four months.
 - Corrected loop reject registers may be destroyed.

3.12.38.2.4.8
(01-01-2016)
**Current Reject Listing,
GMF 11-46**

- (1) The Current Reject Listing, GMF 11-46 is a daily list of all items added to reject inventory on that date.
 - The list may be printed in DLN or RSN order or both. Use the Reject Sort Card to request the sort.
 - Items added and removed from the inventory during the same week will not appear on the Reject Inventory List. These items can only be re-searched on the Current Reject Listing.

3.12.38.2.4.9
(01-01-2016)
**Reject Correction
Verification List, GMF
11-48**

- (1) The Reject Correction Verification List, GMF 11-48 is printed in correction block and Serial Number sequence for easy association with the reject registers returned from transcription.
 - It contains an entry for each reject correction record, which either failed to match to a reject document by RSN or matched to a previously “non-corrected” reject.
 - Reject loop corrections are not printed on this listing and require no verification because “no match” would print as a subsequent loop.
 - This listing matches the order in which the corrected registers were transcribed.
 - Compare each block of returned registers with the list to ensure that all corrections were transcribed.
 - Corrected items identified as “Valid” or “Invalid” require no other action.
 - If the item is still in the reject inventory, a loop register will be printed.
 - Deleted items (Code “2-D” or “2-R”) should be further checked against the Reject Disposition List.
- (2) The following registers should be pulled from the block for re-transcription or, if necessary, to be re-worked:
 - a. Any register with a corrected SN that was not transcribed.
 - b. Any register identified as “No Match”.
 - c. Any register identified as “Dup RSN”. If the two corrections are input for the same SN, both will come out as “Dup RSN”, unless one also had an incorrect Format Code.
- (3) Check the Summary and reconcile the total count with the number of registers processed.
- (4) Retain the Correction Verification List as an index to the corrected registers for at least one year.

Note: If the report is available online, and can be easily accessed for the past 12 months, it is not necessary to retain paper copies. However, if documentation is made on the reports, the paper copy should be retained for one year.

- (5) Items identified as “Invalid” will always loop. Some of the reasons for “Invalid” corrections are as follows:
 - Invalid Action Code
 - Invalid SN
 - Invalid Action Code for the section being corrected
 - Invalid data for the Action Code
 - Action Code “2” not followed by a Disposition Code
 - Disposition Code “N” does not contain the required section
 - Action Codes “0”, “1”, “2”, “7”, or “9” used with other Action Codes

- SNs transcribed in the wrong sequence

3.12.38.2.4.10
(01-01-2016)

**Reject Disposition List,
GMF 11-47**

- (1) The Reject Disposition List, GMF 11-47 is used to research rejects that have already matched corrections input.
- (2) This listing is printed in RSN sequence and includes all corrected rejects for that date, both raw and loop.
- (3) Each entry includes a literal indicating the disposition of the document, or in the case of renumbered documents, includes the new DLN.
 - a. Good - Valid correction sent the document to good tape.
 - b. Loop - The correction was invalid, or a valid correction failed to resolve all reject conditions.
 - c. Re - entry Action Code "2" and Disposition Code "R".
Check off each re-entry document and mark the date as it is released to Batching.
 - d. Re-Reject-Action Code "9".
 - e. Void-Action Code "2" and Disposition Code "D".
These items should be checked against returned reject registers to ensure that the correct code was entered.
 - f. Renumbered Documents-Action Code "2" and Disposition Code "N".
- (4) The new DLN must be verified with the document before release. Verify by comparing with the new DLN on the Disposition List, GMF 11-47 or on the New DLN Record List, SCF 11-48.
- (5) Retain the Disposition List as a reference for at least one year, so that corrected reject registers can be located.

Note: If the report is available online and can be easily accessed for the past 12 months, it is not necessary to retain paper copies. However, if documentation is made on the reports, the paper copy should be retained for one year.

- (6) The correction ABC and serial number are shown on the Disposition List.

3.12.38.2.5
(01-01-2016)

**Document Control -
Pulling ERS Suspense
Documents, ERS 17-40**

- (1) This section of the manual lists the procedures for pulling documents.
- (2) Receive the New Suspense List and accompanying charge outs for each record assigned to ERS Suspense.
- (3) The New Suspense List identifies the source of each record to assist in locating the documents.

3.12.38.2.5.1
(01-01-2016)

ERS 17-40 (ISRP)

- (1) Pull from the carts of documents received from ISRP for that day, those individual documents shown on the New Suspense List as suspended by Code and Edit.
 - a. Replace each document removed from its original block with the original copy of its associated charge-out.
 - b. Attach the remaining copy of the charge-out to the removed document.
 - c. Some SPCs use a laser printed Form 8161.
 - d. If the document is missing, notify your supervisor for recommendation on other searching.
 - e. If unable to locate the document, indicate on Form 8161

- f. Mark the document ID on the New Suspense List as missing.
 - g. Date and initial your entry on the New Suspense List.
- (2) Pull from the carts of documents received from ISRP for previous days, those individual documents shown on the New Suspense List as suspended by Error Correction.
 - a. Replace each document removed from its original block with the original copy of its associated charge-out.
 - b. Attach copy of the charge-out to the removed document.
 - (3) Ensure that all source documents for each record shown by the New Suspense List to be received from Unpostable Resolution have actually been received.
 - a. Associate the charge-outs with the unpostable documents.
 - b. Forward the original of the charge-out to Files for all unpostable documents received from Unpostable Resolution. Attach the remaining copies to the unpostable document.
 - (4) Ensure that the documents for all entries not marked missing, on the Suspense List, are present.
 - (5) Ensure that charge outs for all entries on the New Suspense List including those marked as missing are present.
 - (6) The charge outs for the records on the New Suspense List will have the literal "SUSPENSE".

3.12.38.2.5.2
(01-01-2016)
ERS 17-40 (SCRIPS)

- (1) Documents processed through Service Center Recognition/Image Processing System (SCRIPS) will be received in ERS without staples and sorted into "Perfect" (Documents without attachments) and "Imperfect" (Documents with attachments and/or envelopes).
- (2) Pull from the carts of documents received from SCRIPS for that day, those individual documents shown on the New Suspense List as suspended by Code and Edit. Replace each document removed from its original block with the original copy of its associated charge-out.
- (3) When pulling documents from a "Perfect" (documents with no attachments) truck, ensure that all pages are pulled (page 1, 2 and/or Schedule B)
- (4) When pulling documents from an "Imperfect" (Documents with attachments and/or envelopes) truck:
 - Check upper right corner for a seven-digit sequence number.
 - Go to colored folder at the back of the gusset and pull the corresponding attachments.
 - Staple attachments to return before routing.
- (5) Pull from the carts of documents received from SCRIPS for previous days, those individual documents shown on the New Suspense List as suspended by Error Correction.
 - a. Replace each document removed from its original block with the original copy of its associated charge-out. Follow instructions in (2) above for "Imperfect" returns

- b. Attach copy of the charge-out to the removed document.
- (6) Ensure that the documents for all entries not marked missing, on the Suspense List, are present.
- (7) Ensure that charge-outs for all entries on the New Suspense List including those marked as missing are present.
- (8) The charge-outs for the records on the New Suspense List will have the literal "SUSPENSE".

3.12.38.2.5.3
(01-01-2024)
Disposition of Documents

- (1) The instructions in this section for routing and filing refer to several different suspense files. These files will be maintained separately or combined in a single ERS suspense file. The ERS automated control system will be easier to maintain by using a single ERS suspense file.
- (2) The Action Code printed on the charge-out indicates the disposition of the document. Form 8161 stays with the document for routing and/or history.
- (3) Action Code 21X, 225 and 226 - Correspondence:
 - a. If the correspondence has already been issued, place the document and charge-out in the correspondence suspense file in DLN order.
 - b. If the correspondence has not yet been issued, issue the correspondence, then place the document and charge-out in the suspense file. If the correspondence cannot be prepared immediately, place one copy of the charge-out in the suspense file to preserve a research trail.
- (4) Action Codes 331 and 332 - Criminal Investigation Review:
 - a. Place the documents and charge-outs in the folder or basket for review by Criminal Investigation.
 - b. If the documents will leave the immediate work area, detach a copy of the charge-out and place in a Criminal Investigation suspense file.
- (5) Action Code 370 - Examination Review:
 - a. Place the documents and charge-out in the folder or basket for review by Examination.
 - b. If the documents will leave the immediate work area, detach a copy of the charge-out and place in an Examination suspense file.
- (6) Action Codes 310, 320, 333 through 337, 34X, 360 - Suspense to Other Functions:
 - a. Use the second copy of the charge-out as a routing slip to the designated function at the campus.
 - b. Detach a copy of the charge-out and place in a suspense folder for the designated function in DLN order.
 - c. Prepare Form 4227 or local routing control and route the documents according to local procedures.

Caution: Determine if an MeF return suspended on AC 341 needs to be routed to Entity (AC 321). If both action codes are present on an MeF return, it must be expedited to Entity prior to working the return in Rejects.

- (7) Action Codes 351, 410, 510, 6XX, 700, 900 - Workable Suspense:

- a. Associate the document with the current Workable Suspense Inventory report.
 - b. If required by local procedures, route to the Tax Examiner designated to work the cases for the specified Action Code.
- (8) Action Codes 352 through 355 - Suspense:
- a. If the appropriate CCs has already been input by an Error Correction Examiner, place the document and charge-out in the file designated for suspense in DLN order.
 - b. If transcript research has not been prepared, input the appropriate other CC(s), then place in the suspense file.
- (9) Action Codes 420 through 490 - Management Suspense:
- a. Place the documents in a suspense file for management suspense and system problems.
 - b. The file should be maintained in DLN order unless otherwise instructed.
- (10) Action Codes 511 through 515 - Missing Documents:
- a. If the document is not available, place a copy of the charge-out in the missing document suspense in DLN order. The first and second copies of the charge-out are used to initiate a special search.
 - b. If the document is attached for Action Codes 511-514, input CC ACTVT and route the document and charge-out for association with the Workable Suspense Inventory report on the following day.

3.12.38.2.5.4
(01-01-2020)
**Rejected Records List,
ERS 05-40**

- (1) This report lists each record that is deleted from ERS. It is printed each day and contains the following:
 - (2) For each rejected record, there is a charge-out, with the literal "REJECT".
- Note:** Make sure that you have a document and charge-out for each entry on the Rejected Records List.
- (3) Route the documents according to the Action Code shown on the listing.
 - (4) Action Code 610 or 611 - Renumber.
 - a. After verifying that the same DLN is shown on the New DLN Summary as on the document, route the documents to Batching with the new Form 813 or Form 1332.
 - b. Action Code 611 items that show a literal should be routed to Accounting.
 - (5) Action Code 620 - route the documents to the Automated Non-Master File (ANMF) function in Accounting.
- Reminder:** All ANMF work has been centralized at Kansas City Submission Processing Center - Accounting Operation.
- (6) Action Code 630 - routed to Batching for re-input after verifying that Form 3893 has been prepared for each block DLN.

Note: Occasionally, Action Code 630 is entered for non-re-input items where subsequent manual Service Center Control File (SCCF) adjustments will be prepared.

- (7) Action Code 640 - indicates documents that have been voided.
 - Route campus initiated documents to the originator.
 - Otherwise, route to files unless other routing instructions are attached to the return.
- (8) Action Code 650 - Route International documents to the Ogden Submission Processing Center (OSPC) per local procedures.
- (9) Action Code 660 - Data Control Delete.

Route to Data Controls if not already sent

- (10) Action Code 670 - Missing documents.
 - Attach all documentation and research to the approved Form 6752 and retain in the closed missing documents file
 - A separate copy of Form 6752 is routed with Form 8161 (Charge-out) to Files
- (11) Keep the Rejected Records List for one year as a reference.

3.12.38.2.5.4.1
(01-01-2016)
General Information

- (1) While a record is in ERS, it will appear on an inventory listing and will be controlled by the DLN. When it is corrected or cleared, no verification of correction is required for an ERS record.
 - a. Deleted records must be matched against the Rejected Records List.
 - b. The routing of the document depends on the action shown on the listing.

3.12.38.2.5.5
(01-01-2016)
Loose Documents - General Procedures

- (1) This section of the manual lists the procedures that are to be followed for loose documents.
- (2) A loose document is any document, form, or letter that was detached or cannot be associated with other related forms.
- (3) When a loose document is found, check the inventory to see if the case is in SCRS or ERS.

If	Then
Document is found in inventory,	Use the information to complete the case.

If	Then
Document is not found in inventory,	Follow No Reply/Incomplete Reply Procedures. See IRM 3.12.38.5.3.12, No Reply/Incomplete Reply Processing Instructions.

3.12.38.2.5.6
(01-01-2016)
Suspense Action Codes

(1) This section of the manual lists the procedures that are to be followed for the disposition of ERS records and documents. Information in this section includes the following:

- Assigning Action Codes to re-suspend records
- Use of the suspense charge-out by Tax Examiners

3.12.38.2.5.6.1
(01-01-2016)
Suspense Charge-Out

(1) Use the charge-out to record such actions as:

- Re-suspending - Enter the new Action Code and the date you re-suspended the record.
- Routing to other areas - “X” the appropriate campus function or “other” listed on the Form 8161.
- Recording data received from research, or history items.
- Processing instructions for the person who may follow up on the case after you.
- Deleting a record with CC RJECT or NWDLN, enter the Action Code assigned and the date of deletion.

3.12.38.2.6
(01-01-2024)
Input of Correspondence

- (1) Correspondence may be input, at campus option, by ERS Tax Examiners, or clerk typists.
- (2) Letters generated by Submission Processing must be approved by Headquarters when they are intended for dissemination to 10 or more persons. These letters are numbered in accordance with IRM 1.17.1, Overview of Publishing Authorities, Roles and Responsibilities, and Organizational Structure, and IRM 1.17.2, Publishing Systems and Programs. Form letters, pattern letters, and pattern paragraphs are prescribed by Headquarters for use by SPCs. Do not make changes to text format, date of issue (or revision), or physical characteristics of these letters and paragraphs without prior Headquarters approval. In addition, Quick Notes that are computer generated must be forwarded to Headquarters for approval. Submit requests for new letters using Form 1767, Publishing Services Requisition, following procedures outlined in IRM 1.17.1 and IRM 1.17.2. For minor changes or additions to current letters, follow procedures in IRM 3.0.275, Business Results Measures for Submission Processing Functions.
- (3) Letters are input on the terminal using CC LETER. Enter CC LETER as follows:
- a. Line 1 - A valid TIN, MFT and tax period (space between items). If SSN use one space between MFT and if EIN use two spaces between MFT. See SERP - IDRS Job Aid for LETER <http://serp.enterprise.irs.gov/job-aids/command-code/leter.html>.

Note: If TIN is for another taxpayer, see lead and/or manager.

- b. Line 2 - IDRS letter number, and space over until the alpha “R, S, Y, or Z” is under the second position of the TIN (Column 8).
- c. Line 3 - A 2-digit signature code for the individual whose signature should appear on the letter; three spaces and a 2-digit OMB code (Column 6).
- d. Line 4 - Enter 2-digit return address code, followed by “XMIT” (transmit, usually Page Up/Pg Up key).

(4) Your response will be CC LPAGE with the letter format. Enter information on the CC LPAGE screen as follows:

- a. Line 1 - The data that you entered on line 1 with CC LETER will be displayed.
- b. Line 2 - Enter the IDRS letter number and Signature Code.

Note: Information that was input with CC LETER will be displayed.

- c. Enter the name of the taxpayer to whom the letter should be addressed in the NL1> Field. This information is generated if the record is present on the Taxpayer Identification File (TIF). Ensure that the name matches what is on the return.
- d. Enter second name line information in Field NL2>, if there is one on the return. Form 1041s and returns with foreign addresses also have third and fourth name line information (NL3> and NL4>on the screen).

Note: Always use the address on the document. However, common abbreviations are acceptable. (See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.)

- e. Line 4 - Office of Management and Budget (OMB) and Enclosure information is displayed.
- f. Line 5 - Enter the proper salutation.

Example: Dear Sir, etc.

- g. Line 6 - Enter the paragraph codes, from the letter being used, that describe what information is needed.
- h. Line 7 - If written fill-ins are required, begin the fill-in information on line 7. Refer to the letter you are using to determine the number of spaces available.

Example: Letter 118-C

(5) For more information on inputting letters on IDRS, see IRM 2.4.6, Command Codes LETER, LPAGE, LPAGD, LETUP, LETED, LLIST, and LRE VW, for CC LETER or local procedures.

3.12.38.2.6.1
(01-01-2016)
Reducing the Length of Taxpayer Names

(1) **If the primary and/or secondary name(s) exceed the 35 - character/space limit, use the table to correctly reduce the taxpayer’s name:**

Reducing the length of Taxpayer Names
--

- | |
|--|
| 1. Substitute the appropriate initial for the secondary taxpayer’s middle name |
|--|

Reducing the length of Taxpayer Names
2. Delete middle initial of secondary taxpayer
3. Substitute the appropriate initial for the primary taxpayer's middle name
4. Delete middle initial of primary taxpayer
5. Substitute the appropriate initial for the secondary taxpayer's first name
6. Substitute the appropriate initial for the primary taxpayer's first name
7. Abbreviate the secondary taxpayer's surname. Abbreviate the surname by removing the vowels (begin with the vowels at the end of the secondary taxpayers surname first). Example: OSullivan becomes OSullivn or OSullvn or OSullv or OSull (if necessary) Reminder: Do not remove the first four characters of the secondary taxpayer's surname. If further reduction of the name line is needed, abbreviate the primary taxpayer surname.
8. Abbreviate the primary taxpayer's surname as the last step. Abbreviate the surname by removing the vowels (begin with the vowels in the end of the primary taxpayer's surname). Example: Sorrentino becomes Sorrentin or Sorrentn (if necessary) Note: Do not remove the first four characters of the primary taxpayer's surname.

Note: Do not shorten taxpayer's names if their name(s) fit within the 35 - character/space constraints.

3.12.38.2.6.2
(01-01-2016)
BMF Address Requirements

- (1) According to postal regulations, mail will be delivered to the last address immediately preceding the city, state and ZIP code. A Post Office (PO) Box will always be the mailing address, if present. For trusts and estates only, if the taxpayer indicates the street address is the mailing address and the PO Box is the location address, leave the PO Box as the location address.
- (2) When inputting either the mailing or location street address information, follow these guidelines:
 - Do not leave a blank space between the house or building number and a suffix, Taxpayer submits 1234 B North Street. Input as 1234B NORTH ST,
 - If present, always input the street suffix such as street, drive, lane, terrace, etc. See chart in (15) below,

- If present, always include the street directional such as North, South, East, West,
- Always input the suite, apartment number, room number, etc. at the end of the street address line,
- If the address contains a fraction, utilize the forward slash (/) between the numeric fields. For example, 1/2.
- If the address contains a hyphen (-) such as 289-01 MAIN ST, enter the hyphen as part of the address. Do not remove the hyphen. Do not leave any other spaces around the hyphen,
- If the address contains the symbol "&" (ampersand), always input the word "and" in its place,
- If the address contains a decimal point such as 1.5 MILES SOUTH OF HWY 19, convert the decimal point to a fraction. Input as 1 $\frac{1}{2}$ MILES SOUTH OF HWY 19,
- If the address contains a pound sign such as 1532 MAIN ST #15. Input as 1532 MAIN ST 15. If the street address contains an abbreviation for "number", omit from entry into address line on IDRS,
- A city or town name (that is long) will only be abbreviated for lack of space in the IDRS field,
- The Private Mail Box (PMB) must be entered at the end of the address regardless of where it is shown in the incoming address. It will always be included with the street address,

Example: Private Mailbox 3, 102 S. 38 will be entered as 102 S. 38 PMB 3. When entering data from a document which has a Private Mailbox (PMB) number, to ensure consistency, input the PMB on the street address line according to the example above. If it is located in another area other than the street address line, make the correction to move it to the correct line. (for example, PMB on the street address line).

- (3) If city or state is missing or incomplete and the ZIP code is present, research the United States Postal Service (USPS) web site at <http://www.usps.com> to determine the city and state.
- (4) Only the primary five digits of the ZIP code should be entered. IDRS and the FINALIST program automatically expand the ZIP code to 12-digits.
- (5) Mail going to a domestic taxpayer will carry two name lines. The priority of these name lines is as follows.
 - a. Always the primary name (legal name).
 - b. Always sort name if present on the BMF or Care of Name or Foreign street address or continuation of primary name if no foreign street is present.
- (6) To ensure outgoing mail contains pertinent information, primary name, care of name, sort name and address must be properly input.
- (7) If the city listed is a major city, the Major City Code may be input in place of the city and state information on the mailing address and location address. Major City Codes are now universal and can be used in any processing site. If the Major City Code is used, it must be followed by a ZIP code. (Input requires that the Major City Codes be followed by two commas and then the ZIP code.) See Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.

- (8) If there is any question regarding the correct mailing and/or location address (directionals, building number range, ZIP code, spelling, etc.) access the USPS web site at <http://www.usps.com>. Adhere to the IRS address abbreviation rules.
- (9) The words “East, West, North, South” will only be abbreviated when used as a directional for a street name. For example:
 - Taxpayer enters: **1105 North Main Street,**
 - Entry onto IDRS: **1105 N MAIN ST**
- (10) Plurals for street, road, avenue, etc., will be entered as STS, RDS, AVES, etc. Street address for First, Second, Third, 1st, 2nd, or 3rd will be entered onto IDRS as the taxpayer entered.
- (11) **Always** use the address on the document. However, common abbreviations are acceptable. (See Document 7475).
- (12) The following abbreviations **will only** be used if needed to limit street address fields to 35 characters:

Word	Abbreviation
Alley	ALY
Annex	ANX
Arcade	ARC
Bayou	BYU
Beach	BCH
Bend	BND
Bluff	BLF
Bottom	BTM
Branch	BR
Bridge	BRG
Brook	BRK
Burg	BG
Bypass	BYP
Camp	CP
Canyon	CYN
Cape	CPE
Causeway	CSWY
Center	CTR
Cliffs	CLFS
Club	CLB
Corner	COR
Corners	CORS
Course	CRSE
Courts	CTS
Cove	CV
Creek	CRK
Crescent	CRES
Crossing	XING
Dale	DL
Dam	DM
Divide	DV
Estates	EST
Expressway	EXPY

Word	Abbreviation
Extension	EXT
Ferry	FRY
Field	FLD
Fields	FLDS
Flats	FLT
Ford	FRD
Forest	FRST
Forge	FRG
Fork	FRK
Forks	FRKS
Fort	FT
Freeway	FWY
Gardens	GDNS
Gateway	GTWY
Glen	GLN
Green	GRN
Grove	GRV
Harbor	HBR
Haven	HVN
Heights	HTS
Hill	HL
Hills	HLS
Hollow	HOLW
Inlet	INLT
Island	IS
Islands	ISS
Isle	ISLE
Junction	JCT
Key	KY
Knolls	KNLS
Lake	LK
Lakes	LKS
Landing	LNDG

Word	Abbreviation
Light	LGT
Loaf	LF
Locks	LCKS
Lodge	LDG
Manor	MNR
Meadows	MDWS
Mill	ML
Mills	MLS
Mission	MSN
Mount	MT
Mountain	MTN
Neck	NCK
Orchard	ORCH
Pines	PNES
Plain	PLN
Plains	PLNS
Plaza	PLZ
Point	PT
Port	PRT
Prairie	PR
Radial	RADL
Ranch	RNCH
Rapids	RPDS
Rest	RST
Ridge	RDG
River	RIV
Shoal	SHL
Shoals	SHLS
Shore	SHR
Stream	STRM
Summit	SMT
Trace	TRCE
Track	TRAK

Word	Abbreviation
Trail	TRL
Trailer	TRLR
Tunnel	TUNL
Turnpike	TPKE
Union	UN
Valley	VLV
Viaduct	VIA
View	VW
Village	VLG
Ville	VL
Vista	VIS
Wells	WLS

3.12.38.2.6.3
(01-01-2016)
**Correspondence
Suspense File**

- (1) When the correspondence letter has been prepared, the return is placed in a suspense file awaiting the reply from the taxpayer.
 - File ERS documents in DLN order.
 - File SCRS documents by Reject Sequence Number

Note: SCRS documents can be filed by DLN if the campus makes that decision.

- (2) When taxpayer reply is received:
 - a. Stamp letter with Rejects Unit received date, if not already date stamped.
 - b. Associate the reply with document and register.
 - c. Check envelope for remittance or more information.
 - d. Staple the letter and attachments to back of original document in the upper left-hand corner.
 - e. For ERS, enter CC ACTVT to bring the record to the workable file. For SCRS the record is already in the workable inventory.

- (3) When the taxpayer reply for EP/EO correspondence is received, the ERS clerical team will make copies of the needed information, ensuring each copy is clear and centered. All staples will be pulled prior to making copies. Refer to IRM 3.20.12.3.8 and IRM 3.20.12.3.10 (7) and (8), Imaging and Perfecting Exempt Organization Returns for Public and Internal Viewing, for more re-imaging information. Information will be attached in the following order (do not staple):
 - a. Copy of the front page of the return, **or if not available**, a BRTVU or INOLES print containing all the following information: EIN, TXPD, Form, Subsection Code and all Entity information.
 - b. Copies of any pages of the return that were amended.
 - c. Copies of amended or new Schedules, in alpha order.

- d. Deliver to Imaging team daily. Do **not** hold in ERS clerical area.
 - e. Route the original return and attachments to Files.
 - f. ERS will charge the time to OFP 550-38901.
- (4) Maintain each document and Correspondence Action Sheet in a suspense file for ten days after the period given for the taxpayer to respond.
- If, after the end of the suspense period, no reply is received, the return is stamped “No Reply” with the date and routed to Tax Examiners to be worked.
 - If a reject register is more than 45 days old, check the actual correspondence date to be sure that the taxpayer has been given at least ten days longer than the date specified.
 - If the ERS suspense period has expired and more time should be given to the taxpayer, the record may be resuspended with a 212 Action Code.
 - If notified by Taxpayer Advocate Service or the taxpayer that the correspondence was not received, reissue the original correspondence (to the correct address) and resuspend.
- (5) If a reply is received without the proper identification number, research the inventory to obtain the correct number.
- For ERS, use CC ERINV with the TIN to search for a DLN.
 - Use CCs NAMEE or NAMEB if the TIN and the DLN are missing.

3.12.38.2.6.3.1
(01-01-2016)
BMF Undeliverable Correspondence

- (1) Process undeliverable correspondence for BMF, as follows: Compare the undeliverable address with the return.

If	Then
There is a different address on the return,	Re-send the correspondence to the return address and SSPND 211. Note: This is the second correspondence.
The return address is the same as the undeliverable,	Research INOLES, ENMOD, and/or NAMEE for a better address. If a different new address is found, re-send correspondence and SSPND 211.
Research address is the same as the undeliverable, but there is a different “location address” on IDRS,	Re-send the correspondence to the different “location address” and SSPND 211. Note: This is the second correspondence.

- (2) If a better address can’t be found, or if the letter is undeliverable a second time, treat as a “No Reply”.

3.12.38.2.6.3.2
(03-02-2023)

**EO Undeliverable
Correspondence (OSPC
Only)**

- (1) For Exempt Organization (EO) returns, process undeliverable correspondence as follows:

If	Then
The letter is returned as undeliverable,	Compare the address on the letter with the return.
A different address is shown on the return,	Re-send the letter to the address on the return. Note: This is the second correspondence.
The addresses (primary address and location address, if shown) on INOLES, ENMOD, and/or NAMEE are the same as the letter and return,	Send the letter to an address using the following priority order: <ul style="list-style-type: none"> • Address where the organization’s books are located (Form 990, Part VI, line 91, Form 990-EZ, Part V, line 42, Form 990-PF, Part VII-A, line 12, Form 1120-POL, Line 5c, Form 990-T, Item J, page 1. Not applicable for Forms 1041-A, 5227, 4720 or 5578), • Address of the paid Preparer (Form 990, bottom of page 6, For 990-EZ, bottom of page 2, Form 990-PF, bottom of page 12, Form 1120-POL, bottom of page 1, Form 5227, bottom of page 4. Not applicable for Form 5578) • Address of the officer (Form 990, Part V, Form 990-EZ, Part IV, Form 990-PF, Part VIII, item 1. Not applicable for Forms: 1120-POL, 990-T, 1041-A, 5227, 4720 or 5578).

- (2) If a better address is not found, or if the letter is undeliverable for a second time, the EO undeliverables should be sent to EO Entity who will research for another address per IRM 3.13.12.

3.12.38.2.6.3.3
(01-01-2016)

No Reply Cases

- (1) If the taxpayer does not reply to a request, the return is pulled from suspense file and marked “No reply”.
- (2) Attach the Correspondence Action Sheet (CAS) to the back of the return.
- (3) If the correspondence is “undeliverable” and if the letter comes back a second time as “undeliverable”, attach CAS, letter and envelope to the back of the

return and treat it as a “No Reply”. Enter CCC 3 and process the return immediately.

Reminder: The form specific IRM takes priority over the IRM 3.12.38..

- (4) If correspondence was sent due to an **EC 026 - Tax Period**, and more than 12 months have elapsed since the last TC 150 posting on BMFOL, then input a TC 474 using REQ77 with a one cycle delay. Use the year prior to the return’s tax period. If there are no prior 150 postings, TC 474 is not necessary.

Example: For a 202312 return, input a TC 474 for 202212 tax period.

3.12.38.2.6.3.4
(01-01-2016)
Late Reply

- (1) When a reply is received after the suspense time has expired and the return “**is in**” ERS inventory, process the reply following the “reply to correspondence” instructions in the form specific IRM.
- (2) When a reply is received after the suspense time has expired and the return is “**not in**” ERS inventory or a loose schedule is routed from Accounts Management, research IDRS to determine if the return is assigned to another area. Use TXMOD and look at controls and history items to determine where the return is assigned. The first five digits of the IDRS number identifies the area.

Note: The same instructions apply to late replies for electronically filed returns.

If	Then
The return has been assigned to another area,	Follow local procedures to route the late reply to the area. Late replies must be routed to the proper function within five days of receipt. Note: Use UPTIN to see if the return is in Unpostables.
The return is an International (Foreign) return,	Route to Accounts Management in Philadelphia at DP N-441.
The return is not assigned to another area,	Compare the late reply (schedule/form/attachment) with the accompanying letter, if attached, and follow procedures in (3) below. Note: If no copy of our letter is with the response, try to determine the changes and follow procedures in (3) below.

- (3) If the return is not in ERS inventory, and research has determined that the return is not assigned to another area, take one of the following actions:

Note: The same instructions apply to late replies for electronically filed returns.

If	Then
The reply changes the total tax, balance due, or refund,	Route to Accounts Management/ Correspondence.
The reply changes the entity (change to name control, name line, Filing Requirements),	Route to Entity.
The reply has an address change or minor name changes that do not affect the name control,	The changes are to be input by Rejects. See IRM 3.13.2, BMF Account Numbers, and IRM 2.4.9, Command Codes ENREQ, INCHG, IRCHG, BNCHG and BRCHG for procedures.
The reply is for Form 941/944, and the reply for the date of final wages is within the period of the rejected return,	Use CC FRM49 to input a TC 591 with Closing Code 75 and send the late reply to Files to be associated with the return.
The reply is for Form 941/944, and the reply for the date of final wages is not within the period of the rejected return,	Route to Accounts Management, unless the reply was only for signature or there is no change in the tax, balance due and/or refund amount then route to Files to be associated with the original DLN.
The reply is for Form 2290 which includes Schedule 1,	<ol style="list-style-type: none"> 1. Stamp the Schedule 1 with the reply receive date and return it to the taxpayer. 2. Route Form 2290 to Accounts Management function.
The reply is a Schedule K-1 for current or future tax year,	Forward Schedules K-1 for processing per IRM 3.0.101.5.
The reply is a Schedule K-1 for a prior year,	Route to files to be associated with the Parent return.
The reply is for Letter 3875-C,	Route to Entity Control.
The reply is for EP/EO accounts,	Route to EP/EO.
The reply is for signature for Form 11-C, Occupational Tax and Registration Return for Wagering,	Route to Accounts Management/ Correspondence.
The reply is for Form 851, Affiliations Schedule,	Check INOLES on all subsidiary EINs to verify that the Filing Requirements have -14. If not, use CC FRM49 to input TC 590 with Closing Code 14. Route Form 851 to Files.
Any other information or mis-routed,	Route to appropriate area.

3.12.38.2.6.4
(01-01-2016)

**Special Correspondence
Procedures for 1120-F
returns (Ogden Only)**

procedures.

- (2) Returns meeting the criteria above will be flagged with a purple tag indicating “CTW review” when correspondence is initiated.
- (3) If a reply is received, pull the return and give the reply and return to the Lead. Do not activate the return until it comes back from LB&I.
- (4) If no reply is received, follow the same procedures.

3.12.38.2.7
(01-01-2016)

**Documents Routed to
Other Submission
Processing Center
Functions**

- (1) Some returns require action by other areas of the campus before being worked by Rejects or ERS. These include the following:
 - Entity Control
 - Statute expiration cases
 - Criminal Investigation and Examination
- (2) For reject register items, prepare Form 3210:

Title	Action
To	Enter Name of area items are being sent to and the STOP number of the area
Release Date	Enter the day the returns are being sent.
Page of	Enter to identify the number of forms used to route the documents
Transmittal Code	Enter a transmittal number that identifies the receiving function.
Numbered	Leave blank
Unnumbered	Leave blank
Document Identification	Enter the DLN of each document in the transmittal
Remarks	Enter information on what needs to be done with the returns.
Shipment Information	Leave blank
From	Enter Reject Unit and stop number
Releasing Official	Name of individual routing the documents
Received and verified	Information filled in by the receiving area. It must include the name, phone number and date.
Originator Telephone Number	Enter Reject Unit phone number.
Date acknowledged	Enter date documents were received back in the Reject Unit.

- (3) Every ERS suspense document has a 2-part Form 8161 attached.
- (4) The original is used to pull or replace the document in Files.
- (5) Use the second part of the charge out to control documents to other areas within the Submission Processing Center.

- a. Copy two is attached and retained in a suspense file.
 - b. The first copy stays on the document to inform the receiving area that the document is controlled by ERS.
 - c. A separate routing form such as a Form 3210 may be used in the place of the Form 8161.
- (6) SPCs that use local automated systems to control items routed to other functions must incorporate as much information from these procedures to ensure control of the routed items.
- (7) As the documents are returned, enter the date in the Date acknowledged box of Form 3210, at the bottom of Form 8161, or in the appropriate area on the local automated system.
- (8) All documents may be returned at one time with the transmittal, or the documents may be sent back individually with a copy of the transmittal.
- a. After two weeks, contact the receiving organization by telephone regarding any documents that have not been returned.
 - b. Note the response on Form 3210 or Form 8161.
 - c. Initiate additional follow-up for delinquent items on a weekly basis if necessary but no later than two weeks.
 - d. As ERS items are returned, pull copy 2 of the charge-out from the suspense file and activate Unworkable records with CC ACTVT.
 - e. If ERS records are still not available when the suspense period expires, resuspend with the same Action Code. Note action in the “Resuspending” column of the charge out.
- (9) Representatives from some of these areas may come to Rejects to examine and make a determination on the disposition of the documents.

Reminder: In this case, Form 3210 is not required, take the action indicated on the Form 4227.

- a. If the return is to be cancelled, transfer any green rocker money to Form 3244 and process.
- b. Renumber the record to the DLN of the Form 3244 using reject Action Code 2-N or ERS CC NWDLN.

3.12.38.2.7.1
(02-01-2024)

Statute Expiration Cases

- (1) The Internal Revenue Code provides that the IRS will assess and collect taxes and refund credits within a specific time limit.
- (2) Rejects will review all prior year returns and all documents rejected for more determination as statute expiration cases.
- a. Review involves those returns where the Statute of Limitations will expire within 90 days or less and those for which the statute has already expired.
 - b. Each Submission Processing Center distributes a monthly listing of statute alert tax periods.
- (3) Potential statute expiration cases will be hand-carried to the Statutes Unit.

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 2020 and prior year original delinquent

returns to bypass AM statute clearance and be processed. In addition, any 2020 and prior year returns previously cleared by AM statute will not be returned by SP to AM to be cleared again if the 90-calendar day statute stamp has expired.

- a. For reject register documents, prepare Form 3210.
- b. For ERS documents, use Form 8161 for routing control.
- c. The Statute Stamp is good for 90 days from the date stamped.
- d. If the case has been in the inventory for longer than 90 days, hand-carry/re-clear the case through the Statutes Unit.
- e. Rejects will keep control of these cases until they are returned from Statutes.
- f. Form 4227 will indicate either that the return should be processed or voided to Statutes.

Exception: Do not route the following returns to Statutes:

- Coded CCC W
- TC 599 edited in upper left margin
- 6020(b) returns
- SFR returns

- (4) Some cases will be received in Rejects which have already been identified as true statutes cases. These returns are not re-routed on Form 3210 but can be voided immediately to Files.

3.12.38.2.7.2
(01-01-2016)

**Criminal Investigation
and Examination**

- (1) Code and Edit and Error Correction will identify returns that suggest questionable or fraudulent refund schemes.
- (2) The specific situations to be identified are included in other sections of IRM 3.11, Returns and Document Analysis and IRM 3.12, Error Resolution.
- (3) For ERS, the following Action Codes are used to route cases to Examination:
 - 333 - Prompt Audit
 - 334 - Joint Committee
 - 335 - Frivolous Case
- (4) For ERS, the following Action Codes are used to route cases to Criminal Investigation (CI):
 - 336 - Questionable Refund Detection Team (QRDT) Case
 - 337 - Other Criminal Investigation Division (CID)
- (5) Action Code 331, Protest Review, are used for cases held in Error Resolution for review by a representative of Examination.
- (6) Action Code 332, QRDT Review, are cases held for CI.
- (7) For SCRS, all cases will use Computer Condition Code (CCC) U (Code and Edit) or Action Code 3 (Error Correction).
- (8) When the case is returned from CID, follow the corrective action indicated on Form 4227 or other attachment.
- (9) For ERS, enter a "C" in the Clear Code Field if instructed to process the return.

(10) Follow the same procedures for Action Code 370 (Examination) referrals.

3.12.38.2.7.3
(01-01-2020)
Entity Control

- (1) Documents should be routed to Entity Control Unit if research is unsuccessful when:
 - a. EIN is missing or mismatch
 - b. EIN is invalid
 - c. EIN is “applied for”
- (2) ERS documents are suspended with Action Code 320 (paper returns) or 321 (MeF returns).
- (3) Revenue Procedure 2013-30 allows taxpayers to file Form 2553, Election by a Small Business Corporation, with their initial Form 1120-S. These returns will generate Action Code (AC) 347.
 - MeF will automatically generate AC 347 when a Form 2553 is transmitted with a Form 1120-S.
 - Code & Edit will manually code AC 347 on Forms 1120-S received with a Form 2553 attached to it.
 - AC 347 will have an automatic 20-day suspense period.
- (4) Following are the procedures to be followed for AC 347.
 - Suspense/Rejects will forward only the Form 8161 or local routing slip, if return was processed via MeF, to Entity Control.
 - Suspense/Rejects will route the Form 8161 or local routing slip and return, if paper, to Entity Control.
- (5) Suspense/Rejects will do the following when documents are returned from Entity:

If	Then
Form 1120-S, Form 8161 or local routing slip has TC 090 notated on it,	<ul style="list-style-type: none"> • Hold case for one week (7 workdays) • Then release for further processing.
Form 1120-S, Form 8161 or local routing slip has TC 093/092 notated on it, and it has been converted to a Form 1120.	<ol style="list-style-type: none"> 1. Cancel the original DLN, 2. Assign a new DLN, and 3. Route to ERS Control Unit.

3.12.38.2.8
(01-01-2016)
Addresses

- (1) This section of the manual lists the procedures that are to be followed for handling various address issues.
- (2) Information in this section includes the following:
 - Identifying and transshipping international returns
 - APO/FPO addresses
 - Change of addresses
- (3) Refer to Document 7475, State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.

3.12.38.2.8.1
(01-01-2017)
Form 8822 and Form 8822-B, Change of Address and Change of Address - Business

(1) Taxpayers may provide address changes on Forms 8822/8822-B, Change of Address/Change of Address - Business.

(2) Forms 8822/8822-B are to be processed by Entity Control Tax Examiners when received loose at the campus.

Note: If Form 8822/8822-B is attached to the return and both have the same address information. No action is necessary.

(3) 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.

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

Note: 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.

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".

(4) Forms 8822/8822-B received with taxpayer replies will be separated from the reply and routed to Entity Control.

3.12.38.2.8.2
(01-01-2016)
Transshipping Returns

(1) Prepare a non-suspense Letter 86-C to notify the taxpayer that the return is being routed to appropriate SPC and that future returns should be mailed to that campus.

- (2) Attach all IDRS prints used to determine the return is IMF and transship the return to appropriate SPC.
- (3) Notate 86-C prep on the document.

3.12.38.2.8.3
(01-01-2016)
**APO/DPO/FPO
Addresses**

- (1) The US Postal Service has given military addresses their own state abbreviations within certain ZIP code ranges. Allow only the following state codes for APO, DPO, and FPO addresses.

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

- (2) Include the letters “APO”, “DPO”, or “FPO” in the city/state field line, enter the 2-digit state code, then enter the 5-digit zip code.

Note: These are not considered “foreign” addresses.

3.12.38.2.9
(01-01-2016)
**Verification and Release
of Documents**

- (1) This section of the manual lists the procedures that are to be followed for verifying and releasing documents.

3.12.38.2.9.1
(01-01-2016)
Processing Instructions

- (1) All renumbered documents should be held until verification that the new DLN has been properly transcribed and has properly updated the SCCF.
- (2) DLNs can be verified from any of three different listings or from CC SCFTR.
 - The most efficient listing for DLN verification is the New DLN Record List, SCF 11-48, which lists in new DLN sequence all documents which have been renumbered from reject registers, ERS, or Form 4028, Service Center Control File Adjustment Record. Although this listing may include items renumbered elsewhere in the SP Campus, this is the only listing in the same sequence as the source documents that have been blocked for input.
 - The Reject Disposition List, GMF 11-47 includes only those items that were renumbered from the Reject Register.
 - The Rejected Records List, ERS 05-40 includes only items renumbered in ERS.
- (3) Compare the new DLN shown on the document with the new DLN on the listing.
 - a. If the new DLN does not match, and the DLN shown on the document is correct, determine whether the erroneous DLN was established on the SCCF by checking the CRL Renumbered Transaction List or research the SCCF using CC SCFTR.
 - b. If the erroneous DLN was established, prepare Form 4028 changing the erroneous DLN to the correct renumber DLN. Use From Code 0.

- c. If the erroneous DLN was not established and the original DLN not deleted, prepare Form 4028-A for the old DLN and the correct new DLN. Use Form Code 4.
 - d. If the new DLN on the Rejected Records List is correct, change the document to agree with the listing.
 - e. If unable to determine the correct action, request assistance from Data Controls.
- (4) When all items in a new block have been verified, route the block to Batching for input. Be sure to include the original Form 813 or Form 1332 as the block header document.

Note: The second copy of Form 813 is routed to Accounting.

3.12.38.2.10
(01-01-2020)

Form 2848, Power of Attorney and Declaration of Representative (POA)

- (1) Collect Power of Attorney (POAs)
- (2) Ensure it is an original Form 2848, with both pages, not a copy or substitute.
 - Separate from other forms prior to faxing and reattach when complete.
- (3) Fill out a Fax Cover Sheet and fax to the appropriate location using the following:

If aligned to a Service Center	Then use fax number
East of the Mississippi - Memphis	855-214-7519
West of the Mississippi - Ogden	855-214-7522
All International Taxpayers residing abroad	855-772-3156

- (4) Notate “faxed to POA on MM/DD/YYYY” on each Form 2848 and reattach to return.
- (5) Check ERINV to see if the return is open or closed:
 - If open, add to Replies to be pulled.
 - If closed, S letters go to Files and Y letters go in the proper box.

3.12.38.3
(01-01-2016)

Error Resolution System (ERS) Tax Examiner Guidelines

- (1) This section of the manual lists the procedures that are to be performed by the ERS Tax Examiners. Information in this section includes the following:
 - General concepts
 - ERS Command Codes
 - IDRS Command Codes
 - General correction procedures

3.12.38.3.1
(01-01-2020)

General Concepts

- (1) As new data enters the Submission Processing Center (SPC) computer, the computer performs validity and consistency checks, mathematically verifies taxpayer computations, and codes the data to assure taxpayer notification of errors.

- If the data for an input document passes all required checks, it is transmitted to the Enterprise Computing Center at Martinsburg (ECCMTB). This is known as “good tape”.
 - If the data for an input document does not pass all validity checks, the record is placed in error status and falls out to ERS or SCRS.
- (2) The Error Resolution System (ERS) is the replacement for the Service Center Replacement System known as SCRS.
- (3) All ERS records are controlled by DLN and divided into three inventories:

Type	Definition
Error Inventory	<ul style="list-style-type: none"> • Records are accessed by block DLN and the documents are still in the complete block while being worked. • Each correction is validated and re-displayed immediately.
Workable Suspense Inventory	<ul style="list-style-type: none"> • Records are accessed by complete 14-digit DLNs • Documents have been pulled from the original block and are no longer identified with block processing
Unworkable Suspense Inventory	Records are not included in the online file and cannot be corrected until they have been activated in overnight batch processing.

- a. The ERS error inventory is equivalent to the error register inventory.
- b. Records are accessed by block DLN and the documents are still in the complete block while being worked.
- c. Each correction is validated and re-displayed immediately, eliminating all loop processing.
- d. The ERS workable suspense inventory corresponds to the inventory of rejects that have been placed in the work area to be corrected.
- e. These records are accessed by complete 14-digit DLNs, as the documents have been pulled from the original block and are no longer identified with block processing.
- f. The ERS unworkable suspense inventory corresponds to the reject items being held in Suspense, pending a reply to correspondence or the return of a document from a campus function.
- g. These records are not included in the online file and cannot be corrected until they have been activated in overnight batch processing.

3.12.38.3.2
(01-01-2016)
**General Correction
Procedures**

- (1) Each Error Correction Tax Examiner calls up a block of documents for correction.
- a. The first error document in the block is displayed, with the highest priority error.
 - b. When a correction is transmitted for that error, the document is validity checked and the same error or the highest priority remaining error is displayed.
 - c. When the document has no errors, the next error document in the block is automatically displayed.

- d. When the last error in the block has been corrected, the screen indicates that the block is completed and the Examiner enters another DLN.
- (2) Any document that can't be corrected is suspended with a three-digit Action Code showing the reason why the return was unprocessable.
- (3) The record is then controlled on the workable or unworkable suspense inventory, depending on the action code.
- (4) If a record is corrected in error, use CC GTRECW to retrieve the record at any time on the same day.
- (5) TEs should identify error trends and provide the feedback to the proper function.
- (6) All ERS functions should use the system as designed by the following:
 - a. Using all appropriate Control Listings
 - b. Working older errors and Workable Suspense cases first
 - c. Resolving or suspending all error records within five days
 - d. Resolving or suspending all Workable Suspense records within five days

3.12.38.3.2.1
(01-01-2016)
**IDRS Command Codes
(CC) Used in
ERS/Rejects/Suspense**

- (1) The following table lists the majority of the IDRS and ERS command codes used in the ERS, Rejects and Suspense functions. Many of these command codes can be accessed via the IAT Tool.

IDRS COMMAND CODE	DESCRIPTION
SINON	<p>Command code is used to sign onto the computer.</p> <ul style="list-style-type: none"> SINON is used by all terminal users, including ERS, GUF and IDRS. To ensure the accuracy of production reports, be sure to enter CC SINON if the system has been down. <p>See IRM 2.4.2, Security Command Codes for IDRS Security Personnel.</p>
SINOF	<p>Command code is used to sign off the computer.</p> <ul style="list-style-type: none"> SINOF is used by all terminal users, including ERS, GUF and IDRS. You must sign off the computer when leaving the terminal or at the completion of your shift. <p>See IRM 2.4.2.</p>
ACTON	<p>Shows the Case Control and History. It's used to:</p> <ul style="list-style-type: none"> Establish control bases Update or close control bases that are open, Correct a name control on dummy accounts, Append history items to modules on IDRS, and Generate TC 902s to secure tax modules and their related entity data from the Master File. <p>See IRM 2.3.12, Command Code ACTON.</p>
ACTVT	<p>Command code is used to transfer Unworkable Suspense records to the Workable Inventory.</p>
ADD24/DRT24	<p>Command code is used to transfer payment/credits, except credit elects, between modules on all Master Files.</p> <p>See IRM 2.4.17, Command Codes ADD24/34/48, ADC24/34/48, FRM34 and DRT24/48.</p>
ADD34/FRM34	<p>Command code is used to transfer payment/credits, except credit elects, between modules on one Master File (IMF or BMF)</p> <p>See IRM 2.4.17.</p>
ADD48/DRT48	<p>Command code is used to transfer credit elects.</p> <p>See IRM 2.4.17.</p>
ATINQ	<p>Command code is used to research the status of the Adoption Taxpayer Identification Number (ATIN) application (Form W-7A). ATINs are in the same format as an SSN or an ITIN.</p> <ul style="list-style-type: none"> The ATIN must begin with the digit "9". The fourth and fifth digit must be "93". The last four digits must be assigned in ascending sequential order. <p>See IRM 2.3.71, Command Code ATINQ.</p>

IDRS COMMAND CODE	DESCRIPTION
BMFOL	Command code is used to research nationwide entity and tax data posted to the Business Master File (BMF) See IRM 2.3.59, Command Codes BMFOL and BMFOR.
BRTVU	Command code is used to access the line items transcribed from the BMF returns/forms including accompanying schedules or forms as they were processed at the campuses. See IRM 2.3.57, Command Code BRTVU.
CFINK	Command code is used to research the Centralized Authorization File (CAF) for Power of Attorney (POA). See IRM 2.3.31, Command Codes CFINK, RPINK, KAFFQ and KAFTQ for CAF Inquiry.
CMODE	Command code is used to access a database at another campus.
COMPA	Command code is used to manually compute interest and certain penalties (for example, Failure to Pay, Estimated Tax). See IRM 2.3.29, Command Codes INTST, ICOMP, and COMPA.
CRECT	Command code is valid after an error has been displayed in response to the use of Command Codes GTREC or GTSEC.
DLSEC	Command code is used to delete a section from the data record.
DUPOL	Command code is used to access the duplicate TIN database and provides duplicate Social Security Number (SSN) data. See IRM 2.3.68, Command Code DUPOL.
ENMOD	Command code is used to request the Entity Module for a specific EIN or SSN. See IRM 2.3.15, Command Code ENMOD.
ENREQ	Command code defaults to INCHG (SSN) or BNCHG (EIN) and is used to request an entity update of the Master File. See IRM 2.4.9, Command Codes ENREQ, INCHG, IRCHG, BNCHG, and BRCHG.
ENREQR	Command code defaults to IRCHG (SSN) or BRCHG (EIN) and is used to merge two Master File accounts. See IRM 2.4.9.
EREMP	Command code is used to change records on the ERS Employee Name and Organization File.

IDRS COMMAND CODE	DESCRIPTION
ERINV	Command code is used to research a Document Locator Number (DLN) or Taxpayer Identification Number (TIN) on the ERS Control File.
ERSSD	Command code is used by managers to sort ERS batches. It replaces the IAT ERS Batch Sorter Tool.
ERUTL	Command code is used to display several different areas in the ERS record for research purposes.
ERVOL	Command code is used to obtain the actual count of records in current Workable Inventory or the status of an error record.
ESTAB	Command code is used to request documents from Return Files. See IRM 2.3.18, Command Code ESTABM, IRM 2.3.56, Command Code ESTABR, and IRM 2.3.62, Command Code ESTAB.
FFINQ	Command code is used to research for a Document Locator Number (DLN) using the SSN. See IRM 2.3.13, Command Codes FFINQ, REINF, and REMFE.
FINDE	Command code is used to research for the business' name and address information, using the Employer Identification Number (EIN). See IRM 2.3.60, Command Codes NAMES, NAMEE, NAMEI, NAMEB, FINDS, FINDE, and TPIIP.
FINDS	Command code is used to research for the taxpayers' name and address information, using the Social Security Number (SSN). See IRM 2.3.60.
FRM49	Command code is used to input Transaction Code (TC) and Closing Code (cc) to finalize or satisfy the requirements for filing a tax return (for example, TC 599 with CC 18 is used to indicate that the original return posted to the wrong module and will be reprocessed to the correct module). See IRM 2.4.26, Command Codes FRM14, FRM49, and TDIRQ.
GTREC	Command code is used to access the following: <ul style="list-style-type: none"> • First error record in an ERS error block, or • A specific record in the Workable Suspense Inventory, or • Re-display the previous uncorrected error display of a record after performing IDRS operations for the error, or • Previous uncorrected error display is desired.
GTSEC	Command code is used to obtain or enter a specific section on an ERS record.

IDRS COMMAND CODE	DESCRIPTION
IMFOL	Command code is used to research accounts posted to the Individual Master File (IMF). See IRM 2.3.51, Command Code IMFOL.
INOLE	Command code is used to access the National Account Profile (NAP) which contains selected entity information for all Master File (MF) accounts. See IRM 2.3.47, Command Codes INOLE, EOGEN, and SPARQ.
INTST	Command code is used to compute the correct outstanding balance including interest and failure to pay accruals to the date specified in the input. See IRM 2.3.29.
IRPTR	Command code is used to request either online or hardcopy IRP transcripts from Information Return Master File (IRMF). See IRM 2.3.35, Command Code IRPTR.
ITDLN/USIGN	Command code (ITDLN) defaults to command code USIGN and is used to research for an assigned DLN using a name, date of birth, and zip code.
LETER	Command code is used to initiate taxpayer correspondence. See IRM 2.4.6.
LPAGD	Command code is used to delete a letter. See IRM 2.4.6.
MFREQ	Command code is used to request an entity module and/or a tax module from Master File when case control is not required. See IRM 2.3.10, Command Codes MFREQ and RECON.
MFTRA	Command code is used to request transcripts from a taxpayer's account at Master File. See IRM 2.3.32, Command Code MFTRA.
NAMEE and NAMEB	Command code is used to search for EINs and SSNV accounts for Primary and Doing-Business-As (DBA) names. See IRM 2.3.60.
NAMEI and NAMES	Command code is used to search for SSNs for the Primary and Secondary filers. See IRM 2.3.60.
NOREF	Command code is used to intercept refunds. See IRM 2.4.37, Command Code NOREF Overview.
NWDLN	Command code is used to assign a new Document Locator Number (DLN) to a record. This action deletes the original record.

IDRS COMMAND CODE	DESCRIPTION
QRSEL	Command code is used to select a record which will remain in ERS one day for quality/CARE review and possible correction.
REINF	Command code is used to research IDRS Refund Information File (RFIF). See IRM 2.3.13.
REQ54/ADJ54	Command code is used to make data processing (DP) adjustments to tax, penalty and/or interest. See IRM 2.4.16, Command Codes REQ54 and ADJ54.
REQ77/FRM77	Command code is used to input miscellaneous transactions. See IRM 2.4.19.
RFUND	Command code is used to generate a manual refund to the taxpayer. See IRM 2.4.20, Command Codes RFUND and REFAP.
RJECT	Command code is used to delete a record from ERS.
RTFTP	Command code is used to sanitize version of CC RTVUE for printing and mailing to the taxpayer. See IRM 2.3.52, Command Codes RTVUE, RTFTP
RTVUE	Command code is used to display the line item transcribed from Form 1040 series and their accompanying schedules and/or forms as the returns are processed at the campuses.
SCFTR	Command code is used to research the Service Center Control File (SCCF) for the status of a block DLN. See IRM 2.3.36, Command Code SCFTR.
SFDISP	Command code is used to view a listing of the command codes in an employee's profile.
SFINQ	Command code is a security command code limited to security representatives.
SSPND	Command code is used with an ERS Action Code to place a record in suspense status.
STAUP	Command code is used to suppress balance due notices generated by IDRS that are normally sent to the taxpayer. See IRM 2.4.28, Command Codes STAUP, STATI and STATB.
SUMRY	Command code is used to request a summary for an account on IDRS for a particular TIN and File Source. See IRM 2.3.11, Command Codes TXMOD and SUMRY.

IDRS COMMAND CODE	DESCRIPTION
TERUP	Command code is used to delete erroneous transactions (for example, tax adjustments). See IRM 2.4.13, Command Code TERUP.
TRDBV	Command code is used to obtain a display of edited transcribed and corrected data from electronically filed returns. See IRM 2.3.73, Command Codes TRDBV, TRERS, TRPRT, and R8453.
TRERS	Command code is used to link the DLN entered with command code GTREC, with the TRDBV and display the electronic return. See IRM 2.3.73.
TRPRT	Command code is used to order electronic filed tax returns. IRM 2.3.73.
TXMOD	Command code is used to request all tax module information for a specific tax period on the TIF. See IRM 2.3.11.
UPCAS	Command code is used to add or delete history items posted on the Generalized Unpostable Framework (GUF) data base.
UPDIS/UPRES	Command code is used to correct unpostable cases. See IRM 2.3.48, Command Code UPDIS for the GUF System.
UPTIN	Command code is used to research open and closed cases on the GUF database. See IRM 2.3.37, Command Code UPTIN for the GUF System.
URINQ	Command code is used to research credits in the Unidentified Remittance File (URF) See IRM 2.3.20, Command Code URINQ (URF).
XSINQ	Command code is used to research credits in the Excess Collection File (XSF). See IRM 2.3.45, Command Code XSINQ.

- (2) For further explanations, screen displays, and applicable definer codes, refer to IRM 2.3, IDRS Terminal Responses, IRM 2.4, IDRS Terminal Input, and the applicable training series.

3.12.38.3.3
(01-01-2024)
Correspondence

- (1) This section of the manual lists the procedures that are to be followed for corresponding with taxpayers and working correspondence received from taxpayers.
- (2) Review document before issuing correspondence to ensure all needed information is requested the first time. Check BMFOLI to ensure the return is not a duplicate document before corresponding. If a return is posted to the tax

module, use CC BRTVU or BMFOLR to see if the raw return is a duplicate. If it is, SSPND with Action Code **640** to have the return deleted. If it does not match the posted return, enter CCC **G** and continue processing the document as an amended return.

- (3) If a paper Form 940 or Form 941 return is received with a request to correspond due to a missing page:
- Check the ERS inventory for the rest of the return, if found perfect the return and follow deletion procedures for the suspended return.
 - If not found, correspond.
- (4) If review indicates correspondence is not needed (for example, AC 225 and return contains a signature) **Don't** correspond. Information in the section includes the following:
- Missing or Incorrect EIN on Return- Issue Letter 3875-C
 - Use of Fax for taxpayer's submission
 - Quick Notes (Form 5260)
 - Correspondence suspense
 - Application for change in accounting period (Form 1128)
 - Second correspondence
 - Correspondence received date
 - Replies to correspondence
 - E-filed return replies to correspondence
 - No reply processing instructions
- (5) When corresponding for a missing signature only:
- Use Action Code 225, for international use AC 226.
 - After the letter is input, notate the input date on the return and continue processing.
 - If the return is a "REFUND" it must be held in suspense.
 - If corresponding for multiple issues including the signature, the return must be held in suspense for the appropriate number of days. SSPND with Action Code 211, for international use Action Code 215.
 - If the return is other than a "REFUND", it does not have to be held in suspense.

Note: Or follow local procedures when needed.

- (6) Do not suspend to correspond for a missing signature if:
- "Substitute for Return Prepared by IRS" (SFR) is noted or "dummy" return, or
 - "Section 6020(b)" or "prompt assessment" is notated or Form 4810 is attached.

Note: You are not required to inspect returns for missing signatures since no Error Code will appear for a missing signature; however, if you are led to the signature area of the return and it is not signed, you will take the appropriate actions.

Exception: When corresponding for other missing information, you are required to correspond for a missing signature.

- (7) All non-suspense letter returns will be pulled out of the batch of work and set aside for quality to review prior to the issuance of the correspondence. Annotate on the Form 1332, Batch Header which returns were pulled and what was sent.
- (8) If the return has IRS correspondence attached and appears to be a reply, SSPND to Rejects.
- 3.12.38.3.3.1
(01-01-2016)
EIN Change - Issue Letter 3875-C
- (1) If there is a change to the EIN, ERS is required to issue the Letter 3875-C letter to advise the taxpayer for the EIN change.
- (2) Do not send Letter 3875-C:
- If three or less digits of the EIN are transposed, different, or missing;
 - When INOLES indicates the account has been “merged to” or “merged from”, or
 - If the taxpayer uses their SSN in EIN format or fails to include their EIN and research shows there is a valid EIN for that taxpayer. .
- (3) Refer to specific 3.12 IRMs for instructions.
- 3.12.38.3.4
(01-01-2016)
Error Resolution System (ERS) Action Codes
- (1) This section of the manual provides information about the Action Codes used in the Error Resolution System (ERS).
- (2) Information in this section includes the following:
- General Information
 - Correspondence Action Codes
 - Routing Action Codes
 - Research Action Codes
 - Delete Action Codes
 - Other ERS Action Codes
 - Management Suspense Action Codes
- 3.12.38.3.4.1
(01-01-2016)
General Information - Action Codes
- (1) An ERS Action Code is a three-digit numeric code used to indicate the reason for suspending or rejecting a record.
- (2) An Action Code is assigned to a record in the following functional areas:
- Code & Edit
 - ISRP
 - SCRIPS
 - Error Correction
 - Suspense Correction/Rejects
- Note:** Some Action Codes are computer generated when an unprocessable condition is identified.
- 3.12.38.3.4.1.1
(01-01-2016)
Correspondence Action Codes
- (1) Correspondence can be initiated via Form 3696, (3696 A - Ogden Submission Processing Center), or by using IDRS directly.
- (2) Suspend (SSPND) the record with the appropriate Action Code (21X).
- (3) See the specific Sections in IRM 3.11 (Returns And Documents Analysis) and IRM 3.12 (Error Resolution) for instructions for initiating correspondence.

3.12.38.3.4.1.2
(01-01-2016)
Routing Action Codes

- (1) When a document must be referred to another area of the campus before it can be processed, enter CC SSPND with proper Action Code and attach Form 4227, Routing Slip or local form, with explanation. Ensure all required research has been completed before suspending to another area.

3.12.38.3.4.1.3
(01-01-2016)
Research Action Codes

- (1) After a thorough check of the document and all attachments, research is the first step in resolving items such as:
 - Missing or Invalid TIN
 - Excess Remittance
 - Missing Name and/or Address
- (2) Other information that is frequently secured by research includes the following:
 - Correct Tax Period
 - Estimated Tax Payments
 - FTDs
 - Filing Requirements
- (3) Attach Form 4227 or local form and note the research to be performed on the document if the Action Code doesn't fully explain.

3.12.38.3.4.1.4
(01-01-2016)
Delete Action Codes

- (1) If it is determined that a document should be:
 - Renumbered
 - Re-input
 - Voided

Caution: Never void a return after a manual refund has been issued.

 - Transferred to Non - Master File
 - Territory 15 (International)

Use CC SSPND with Action Code 6XX.

- (2) Action must be taken immediately to suppress generation of delinquency notices before suspending a return to be renumbered or re-entered because the MFT or tax period was in error.
- (3) If AC 610 or 640 was input in error, then input all fields as needed.

3.12.38.3.4.1.5
(01-01-2020)
Other ERS Action Codes

- (1) Action Code 347 is used when an initial Form 1120-S, U.S. Income Tax Return for an S Corporation is filed and the Form 2553, Election by a Small Business Corporation is attached. See IRM 3.12.38.2.7.3, Entity Control, for instructions to work these cases.
- (2) Action Code 410 must be used with discretion.
- (3) If you determine that special expertise is needed to properly resolve the error, enter CC SSPND with Action Code 410.
 - Use only as a last resort or when authorized by your supervisor.
 - Use of this code should be closely monitored by management.
- (4) Action Code 470 (complex error code) is to be used by new Tax Examiners in ERS.

Note: These cases will be worked by experienced Tax Examiners.

- (5) Action Code 480 is used to suspend an early filed return.
- Action Code 480 is usually used by Code and Edit & ERS Tax Examiners.
 - Verify the input tax period to the return and check posted returns on BMFOLI. Correct the tax period if the input is incorrect. If the return is no longer an early filed return, do not suspend. Release the case to post.
 - Use Action Code 480 to suspend an early filed return, if it is processable.

Note: If the return appears to be incomplete, return to that function for perfection. See your manager for final determination.

- (6) Action Code 490 is used to suspend a record when the system cannot identify an error.

Note: Before assigning Action Code 490, make sure return is for a future period.

- (7) Suspend with Action Code 511 when the document for the error displayed is missing from the block during error correction.

3.12.38.3.4.1.6
(01-01-2016)

**Management Suspend
Action Codes**

- (1) Management may direct that certain records will be held to await further processing instructions.
- (2) Some reasons for suspension are listed below:
- a. A SPC computer program bug exists for a particular type record.
 - b. Master File programs are not yet available or are incorrect for a specific type record.
 - c. Legal or administrative complications exist which require that this specific type of record should not be processed.
- (3) These records will remain in the Unworkable Suspend Inventory until requested to be placed in the Workable Suspend Inventory (via the ERS Control File, or until the Suspend Period expires, whichever is first).

3.12.38.3.5
(01-01-2016)

**Types of Error
Resolution System
(ERS) Errors**

- (1) This section of the manual lists the procedures that are to be followed when resolving types of error resolution errors.
- (2) Information in this section includes the following:
- Error displays and corrections
 - Error messages
 - ERS record headings
 - Priority errors

3.12.38.3.5.1
(01-01-2016)

**Error Displays and
Corrections Screen**

- (1) Each field is identified by an Alpha/Numeric Field Designator displayed before that field.
- (2) Negative values will be indicated by a minus sign (–) following the amount.

- If any amount is negative on a field that can be positive/negative, the minus sign must be entered.
- (3) Decimal points are displayed for dollars and cents.
- The cents digits are not displayed for dollars only fields; two asterisks (**) are displayed in the cents position.
- Note: It's not necessary to enter a decimal point when entering an amount.**
- (4) Corrections are entered starting with the left-most position of the field after the first space.
- If fewer than the maximum number of positions is required, the program will automatically right justify the digits.
 - If more data is entered, the overflow characters (#) will display on the screen. They are dropped when the field is added to the record.
- Note:** This is especially important for the TIN, name, and address.
- (5) Corrections can be made to a displayed field by overlaying only the digit(s) in error and not re-entering the entire field.
- (6) When transmitting corrections to a screen display, move cursor below the last field containing data before transmitting.

3.12.38.3.5.1.1
(01-01-2016)
**ERS - Record Heading
Screen**

- (1) Every error display will show the following data as part of the standard display heading:
- Document Locator Number (DLN)
 - Employer Identification Number
 - Name Control/Check Digit
 - Current Processing Date
 - Residual Remittance Processing System (RRPS) Indicator
 - Error Resolution System (ERS) Status Code
 - Taxpayer Notice Code (TPNC)
- (2) All TPNCs assigned to a record to clear a Math Error will be displayed on the third line of all subsequent displays for the record.
- A maximum of three codes for BMF will be displayed.
 - This field is not correctable directly, but the TPNC can be deleted by creating a higher priority error.
- (3) Compare the header information to the source document.
- If a mixed data situation exists (information from two taxpayers' returns appears on the error record under the same DLN or the DLN does not match the return on the screen display), stop processing.
 - Give the block of work to your supervisor. Management will make the determination if the mixed data can be corrected via the terminal screen displays or have the block deleted and re-input.

3.12.38.3.5.1.2
(01-01-2016)

ERS - Error Messages

- (1) "ERROR BLOCK COMPLETED" displays after the last error record in a block is worked.
- (2) "SUSPENSE RECORD COMPLETED" displays after a suspense record is worked or resuspended.
- (3) "DLN NOT IN ERS" displays when CC GTRECW is entered with a DLN (14-digits with hyphens) that is not in ERS.
- (4) "DLN HAS NOT BEEN WORKED" displays when CC GTRECW is entered with a DLN (14-digits with hyphens) that has not been worked.
- (5) "DLN NOT IN ERROR INVENTORY" displays when CC GTREC is entered with a DLN that is not in the error inventory.
- (6) "DLN NOT IN WORKABLE SUSPENSE INVENTORY" displays when CC GTREC is entered with a DLN (14-digits with hyphens) that is not in workable suspense inventory.
- (7) "INVALID COMMAND" displays when any of the following conditions are present:
 - a. CC GTREC or ERINV is entered without a complete DLN (14-digits or 12-digits "XX" for serial number with hyphens).
 - b. CC ACTVT is entered without a complete DLN (14-digits with hyphens).
 - c. CC GTSEC or DLSEC entered without a valid section number (two digits).
 - d. CC SSPND, NWDLN or RJECT is entered without a valid action code (three digits).
 - e. CC NWDLN is entered with an invalid DLN.
 - f. CC ERINV is entered without a 9-digit TIN or an EIN or SSN with a hyphen (XX-XXXXXXX).
- (8) "REQUIRED SECTION" displays when CC DLSEC is entered attempting to delete a required section or if the section contains the remittance (payment) field.
- (9) "INVALID SECTION" displays when CC GTSEC or DLSEC is entered with an invalid section.
- (10) "INITIALIZATION INVALID-ENTER DLN" displays when CC GTREC is entered without a DLN.

Exception: CC GTREC can be entered without a DLN when an error record (previously accessed) has been interrupted (for example, IDRS research).
- (11) "INITIALIZATION INVALID" displays when any CC SSPND, NWDLN, or RJECT is entered without an Action Code.
- (12) "INVALID PARAMETER" displays when CC ERVOL is entered without a valid status code.
- (13) "INVALID STATUS CODE" displays when CC ERVOL is entered with an invalid status code.
- (14) "UNRECOGNIZABLE FIELD ERROR" displays when a field, containing invalid data cannot be displayed.

Note: The supervisor should use CC ERUTL to identify the invalid field.

- (15) “NO ERROR IN RECORD-CONTACT SUPERVISOR” displays when GTSEC with a definer is used and there is no error set.
- (16) “TRANSFERRED” displays when CC ACTVT is entered with a complete 14-digit DLN (include hyphens) to transfer a record from Unworkable Suspense Inventory to Workable Suspense Inventory.
- (17) “IN WORKABLE SUSPENSE” displays when CC ACTVT is entered with a complete 14-digit DLN (include hyphens), and the record is already in Workable Suspense Inventory.
- (18) “IN ERROR INVENTORY” displays when CC ACTVT is entered with a complete 14-digit DLN (include hyphens), and the record is already in Error Inventory.

3.12.38.3.5.2
(01-01-2016)
Priority I Errors - Action Code/Unpostable Code

- (1) All records with an invalid Action Code assigned by Code & Edit or Action Code 001 will be placed in the Error Inventory and displayed as a Priority I Error.
- (2) Records with a valid Action Code, assigned by Unpostables or computer generated Action Codes, will be assigned to a Suspense Inventory and will be displayed as a Priority I Error.

3.12.38.3.5.2.1
(01-01-2016)
Display - Action Code

- (1) The Action Code for the record with the literal description of the action or unpostable condition will be shown.

3.12.38.3.5.2.2
(01-01-2016)
Error Correction - Action Code

- (1) If suspense action is required, enter CC SSPND with the correct Action Code, then transmit.
- (2) If no suspense action is required, enter “C” in the Clear Code Field (CL), and transmit.
- (3) If Action Code 001 displays, Error Resolution must enter the record.
 - 1. Enter CC GTSEC for each record section that should contain data. Add the required data.
 - 2. After all the sections have been entered, enter “C” in the Clear Code Field, and the record will be subjected to normal validity checks.

Note: This condition occurs whenever the BOB Resolution function has added a document to a block by entering only the name control and TIN.

3.12.38.3.5.2.3
(01-01-2022)
Priority I Error, Action Code 21X, Correspondence

- (1) Status 321: If the reply is available, follow instructions in the reply before clearing the Priority I Error. For correspondence with no reply, see IRM 3.12.38.2.6.3.3, “no reply instructions” found under “Correspondence Action” before clearing the Priority I Error.
- (2) Status 421: Follow instructions in the reply before clearing the Priority I Error.

- 3.12.38.3.5.2.4
(01-01-2022)
Priority I Error, Action Code 310, Statute Control
- (1) Status 331 or Status 431: Document will be received from Statute Control with instructions. If the Statute Control Group requests that the record be voided to them for non-remittance documents, use "RJECT 640" and for remittance documents use "NWDLN 611". See IRM 3.12.38.5.12.3, CC NWDLN instructions.
 - (2) If the Statute Control Group shows clearance, use GTSEC for Section 01, verifying Field 01TXP, tax period, and entering Computer Condition Code (CCC) "W" in Field 01CCC. Transmit and then clear the Priority I Error with the "C" Clear Code.
- 3.12.38.3.5.2.5
(01-01-2022)
Priority I Error, Action Code 320, Entity Control
- (1) Status 332 or 432: Document will be furnished to the tax examiner with instructions from Entity.
 - (2) Follow instructions from Entity before clearing the Priority I Error. Enter the correct fields using GTSEC for Section 01 if the return was referred to Entity for the Name Control or Employer Identification Number (EIN).
- 3.12.38.3.5.2.6
(01-01-2022)
Priority I Error, Action Code 33X, Review/Routing to Criminal Investigation (CI)
- (1) Status 333 or 433: Document will have been referred to CI before giving it to the tax examiner.
 - (2) If instructed to void the record and refer the Form to CI, use Command Code RJECT or NWDLN, Action Code "640", following Criminal Investigation instructions. NWDLN 611 is for the voided return with a remittance. The new DLN is the DLN of the payment posting voucher that posts the remittance to the year and MFT of the voided document sent to CI or Unidentified Remittance File (URF) if CI instructs that the money is to be applied to the URF.
 - (3) Follow CI instructions before clearing Priority I Error if processing the return will continue.
- 3.12.38.3.5.2.7
(01-01-2022)
Priority I Error, Action Code 34X, Routing-Accounting
- (1) When forms are received from Accounting, the tax examiner should follow instructions furnished by Accounting before clearing the Action Code.
- 3.12.38.3.5.2.8
(01-01-2022)
Priority I Error, Action Code 35X, Key Index File (KIF)/MFTRA Research
- (1) Action Code "351", Status 435: shows KIF was not available when record was on the Error Inventory. If after researching the KIF with Command Code NAMEB, the EIN is found, enter in Field 01EIN after using Command Code GTSEC for Section 01. If researching the KIF with Command Code NAMEB and the EIN cannot be located, follow the instructions for resuspending (SSPND with Action Code "320") for referral of document to Entity for EIN.
 - (2) Action Codes 352, 354, or 355, Status 335 or 435: If after researching, you are unable to solve, resuspend to Entity with Action Code "320".
 - (3) Action Code "353" will not be used, unless correspondence is necessary and there is no address on the return.

- 3.12.38.3.5.2.9
(01-01-2022)
Priority I Error, Action Code 360, Other In-House Research

 - (1) Status 336 or 436: Document and instructions from other area will be furnished to the tax examiner.
 - (2) Follow instructions furnished by other areas of the Campus before clearing the Priority I Error.

- 3.12.38.3.5.2.10
(01-01-2022)
Priority I Error, Action Code 410, Assistance Needed

 - (1) Clear the Priority I Error with the “C” Clear Code, so other errors in the record might display.

- 3.12.38.3.5.2.11
(01-01-2022)
Priority I Error, Action Codes 420 thru 460, Management Suspense

 - (1) Management may direct either that you work or resuspend the record.
 - (2) If resuspending, use Command Code SSPND and the Action Code as directed.
 - (3) When instructed to work the record, clear the Priority I Error with the “C” Clear Code, so if other errors exist in the record, they can be displayed.

- 3.12.38.3.5.2.12
(01-01-2022)
Priority I Error, Action Code 490, System Problem

 - (1) Instructions are needed from the Computer Branch through your supervisor for working. If instructions are not furnished for Status 349, you may be told to resuspend, using SSPND with Action Code “490”.
 - (2) Once you clear Action Code “490”, or if no other error exists in the record, the record goes to good tape. It is imperative to await instructions from the Computer Branch or Remittance Processing.

- 3.12.38.3.5.2.13
(01-01-2022)
Priority I Error, Action Code 51X, Status 451 or 351

 - (1) Suspend record with Action Code 51X to initiate special search. The charge-out issued for missing document may be used for the initial search. It may also be used for subsequent searches by marking “Second Request”, “Third Request”, etc., on the charge-out returned from Files. Special search is continued until the document is found, or record is rejected from ERS Action Code “670”.

If	Then
The missing document is a non-remittance document,	Use “RJECT 670”
The missing document is a remittance document,	Use NWDLN 670 and the DLN of Form 3244, Payment Posting Voucher, for the payment.
Unable to designate where remittance should be applied,	Use “NWDLN 670 URF”. Action Code “551”.

- 3.12.38.3.5.2.14
(01-01-2022)
Priority I Error, Action Code 6XX, Rejects

 - (1) If suspended to Workable Suspense, with Action Code 6XX, review document to see if you agree with the recommended reject action. If so, delete with Command Code RJECT or NWDLN and the correct Action Code.

- (2) If you determine not to delete the record, clear the Priority I Error with the Clear Code “C” deleting the Action Codes so any other errors that might exist can display.
- 3.12.38.3.5.2.15
(01-01-2022)
Priority I Error, Action Code 700, Duplicate Block DLN
- (1) Clear the Priority I Error with the “C” Clear Code so other errors in the record might display.
- 3.12.38.3.5.2.16
(01-01-2022)
Priority I Error, Action Code 900, Unpostable Records
- (1) The literal for the Action Code “900” includes the Unpostable Code. For Action Code “900” returns, determine if the record can be resolved.
- Use Command Code GTSEC for the desired section(s) and make the correction(s)
 - After all corrections are input and transmitted, enter a “C” in the Clear Code Field
 - Once the Action Code “900” is cleared, all other errors on the record will be displayed for correction
 - If no other errors exist, the record clears the screen
 - The record has never posted to Master File. Fields displayed will be as processed before being an “Unpostable”
 - Review the record for coding and transcription errors and misplaced entries
 - All Clear Codes and Taxpayer Notice Codes assigned when previously processed will have been deleted from the record and needs to be assigned again if still applicable
- (2) If the error on the Unpostable Record (Action Code “900”) cannot be resolved, resuspend the record using Command Code SSPND with the right Action Code. Attach Form 4227, Intra-SC Reject or Routing Slip, notating corrective action and route as necessary.
- 3.12.38.3.5.2.17
(01-01-2022)
Action Codes 3XX Status 33X
- (1) ERS Suspense records are automatically returned to the workable inventory when the designated suspense period has expired. Review to determine if the document can be worked or if circumstances warrant resuspending the document. If document is ready to work, continue processing. If resuspending is necessary, see Exhibit 3.12.38-1, Action Codes.
- (2) If the document cannot be found, and suspense period expired, resuspend with Action Code “511”. Use Command Code ESTAB to initiate a Form 4251 to obtain the document from Files.
- (3) If the Form 4251 comes back without the document, wait until the suspense period for Action Code “511” expires, resubmit original Form 4251 indicating on it “SPECIAL SEARCH” and resuspend the record with Action Code “512”.
- 3.12.38.3.5.3
(01-01-2016)
Priority II Errors - Section Errors
- (1) Most edit, missing section, and terminus errors should be eliminated by the Integrated System Remittance Processing (ISRP).
- (2) The following conditions may be present if normal ISRP validity checks have been bypassed:
- Edit errors

- Missing required section or questionable section
- Terminus errors

- (3) All transcribed fields, except the ERS Action Code and the Remittance (Payment Received), will be displayed in columnar format with or without data. The error type will also be indicated for ISRP Problem Code errors. Only one section (error) will be displayed at a time.
- (4) Any individual section excluding computer generated fields and the Action Code will be present. (The Action Code is an uncorrectable field except as defined for CC SSPND and RJECT.)

3.12.38.3.5.3.1
(01-01-2016)
Edit Error

- (1) "Edit error" indicates a section with an error detected by the Distributed Input System.
 - Literal = DDES "1" - Split screen transmission. Key Verifier attempted to change the Check Digit, Key Verifier changed four or more digits of the Primary TIN, or the Original Entry Operator indicated that a required section was missing.
 - Literal = DDES "3" - Invalid section ending point.
 - Literal = DDES "4" - Invalid field length.
 - Literal = DDES "5" - "Questionable Section" (A section was entered twice or entered out of sequence by ISRP).
- (2) All fields of the section must be examined when this condition exists.
- (3) If Section 01 of a return is coded, examine the tax base data section (via CC GTSEC) for an error to ensure that the return is for the taxpayer whose name is in Section 01.
 - Correct the section.
 - Once the section is correct or if no corrections are necessary, transmit.

3.12.38.3.5.3.2
(01-01-2016)
Missing Required Section and Questionable Section

- (1) "Missing required section" indicates a missing section determined to be required but missing.
- (2) To correct the "missing required section" condition, enter the data for the missing section.
 - a. If no data is present for the missing section, see appropriate IRM for initiating research or correspondence.
 - b. After initiating research or correspondence, suspend (SSPND) the record with the appropriate Action Code.
 - c. If data is present for the missing section, enter the data for the section. After entering all the data for the section, transmit.
- (3) Take the following actions to correct a "questionable section":
 1. Verify and enter all the data for the displayed sections.
 2. Transmit when all the data is correct.

3.12.38.3.5.3.3
(01-01-2016)
Terminus Error

- (1) "Terminus Error" indicates a section with variable length fields containing an erroneous size field or otherwise being of erroneous size.

- (2) All fields of the section must be examined when this condition exists.
 1. Make the necessary corrections to the record.
 2. Once the section is correct, or if no corrections are necessary, transmit.
- (3) A terminus error can also occur if a non-numeric character is entered into a numeric money field.

3.12.38.3.5.4
(01-01-2016)
**Priority III Errors - Field
Errors Screen**

- (1) Definition—Any field failing to meet the requirement(s) for that field (and that field only) will be shown as a Priority III Error.
 - Consistency and/or relationships with other fields will not be a factor.
- (2) Individual field validity errors to be bypassed after initial consideration will be shown as Priority IV Errors. Some reasons for field errors include:
 - 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—All fields with a Priority III Error will be displayed in the order encountered in the record.
- (4) The Action Code and TPNCs will never be displayed as a Priority III Error.
- (5) 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.
- (6) Correction:
 - a. Every field displayed is in error. See the appropriate section of IRM 3.12, Error Resolution, for the specific document.
 - b. Check the information on the source document to determine if each displayed field has been correctly edited and transcribed.
 - c. Enter the correct data for each field displayed.
 - d. If no data is to be in a displayed field, blank the field.
 - e. Correct each field displayed.
 - f. Transmit.

Note: If “Unrecognizable Field Error” SSPND 490.

3.12.38.3.5.5
(01-01-2016)
**Priority IV Errors -
Math/Consistency Errors
Screen**

- (1) Any valid field used in any computation in which the result is inconsistent with or contradictory to any other valid field or fields will have Error Code 001-999 assigned to it by the computer shown as Priority IV Error.
- (2) Using valid fields, if the result of the computer computation of an amount differs from that which is contained in the record, the computation fields will be shown as a Priority IV Error.

3.12.38.3.5.5.1
(01-01-2016)
Display

- (1) Priority IV errors will be displayed with the Error Code for the specific error determined by each return program.
- (2) The screen display will show the error code assigned and the fields needed to make the necessary correction.

- The first correction that must be made for each generated Error Code is to compare the displayed fields with the return.
 - If edited or transcribed incorrectly, follow Form specific instructions in the 3.12 IRMs, Error Resolution.
- (3) For all math error codes, a field labeled “NC” followed by XX will generate.
- BMF can generate maximum of 3 TPNCs; the third TPNC must be TPNC 90.
 - Each math error code will have limited TPNCs which will be valid.
 - If an invalid TPNC is entered, the same math error code will re-display.
 - **The entry of a “TPNC” in the Taxpayer Notice Code Field will prevent any other correction on the same screen display.**
- (4) Previously assigned TPNC(s) will be displayed on line 3 preceded by literal “NC”.
- (5) If determined that the generated math error code was the direct result of a previous error (resolved by a TPNC), **Any previously assigned TPNC** may be entered.

Note: It is important that the taxpayer be advised of all errors that are present on the return. Precaution should be used when entering **any previously assigned TPNC**.

- (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. Clear codes are only available on error codes that do not accept TPNC(s).
- This field is located on line 4 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 Code Field.
 - The entry of a “C” in the Clear Code Field will prevent any other correction on the same screen display.

3.12.38.3.5.5.2
(01-01-2016)
Correction

- (1) All errors must be resolved by either eliminating the error, entering Clear Code, or entering a TPNC.
- (2) If a correction causes an Error Code with a higher priority than the previous Error Code, all Clear Codes and TPNCs already entered for lower priority Error Codes, will be deleted.
- All lower priority error codes still present in the record will be re-displayed for resolution, even if previously cleared with a TPNC or Clear Code.
- (3) If a correction causes a cleared Error Code to no longer be in error, the TPNC or Clear Code for that Error Code will be deleted and all TPNCs and Clear Codes assigned to all lower priority (higher numeric) Error Codes will also be deleted.
- Any remaining Error Codes, previously cleared but now no longer cleared, will be re-displayed.

- (4) Error or Suspense records from a previous day’s workload that are unfinished or suspended will have all previously assigned TPNCs and Clear Code eliminated.

3.12.38.3.5.6
(03-02-2023)

◆ Refund Returns 45 Day Jeopardy and High Dollar Refunds ◆

- (1) Document Perfection and ERS are responsible for identifying refunds and for initiating requests for manual refunds.

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

- (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:

Note: If the **BMF** document has passed the 45 day jeopardy and the refund is less

posting and refund systemically released rather than issuing a manual refund), then work the document and do not issue a manual refund.

#

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 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.
	Enter Action Code 341 and route to ERS/Rejects for manual refund.

#

#

3.12.38.4
(01-01-2016)

Service Center Replacement System (SCRS) Tax Examiner Guidelines

- (1) This section of the manual lists the procedures that are to be performed by the SCRS Tax Examiners.

3.12.38.4.1
(01-01-2016)

Return Register Format

- (1) This section of the manual lists the procedures related to the Error Register. Information in this section includes the following:

- General Error Register information
- Error Register title line
- Error Register ID line
- Error Register document sections
- GMF 61-41 Interest Reduction Initiative Report

3.12.38.4.1.1
(01-01-2016)
General Error Register Information

- (1) The Error Registers are listings of document records that failed the validity, consistency, or math verification tests of the Submission Processing Center computer.
- The Error Register is printed in the order requested by each campus on the Error Sort Card from Form 6826. The registers may be sorted in any of five sequences, see IRM 3.12.38.2.2.5, Form 6826, Section IV - Error Sort Card, for clerical instructions.
 - Each SPC should select the sequence best suited for its operations. The sort sequence is not required to be the same for every Master File.

3.12.38.4.1.2
(01-01-2016)
Error Register Title Line

- (1) The Error Register Title Line identifies the Run Number and Master File, type of record, type of register, and source of the error register, program, form number, Format Code, date, and page number. It will appear as the first printed line at the top of each page.
- (2) The Generalized Mainline Framework (GMF) processes all Master Files on one file, but the error registers will be printed separately for each Master File listed below.
- IMF - Individual Master File
 - BMF - Business Master File
 - IRP - Information Returns Program
 - EPMF - Employee Plans Master File
- (3) The title line designates that the register is raw or loop.
- (4) For loop registers, the correction loop counter specifies which loop may be contained on the page.
- If loop errors have been sorted separately, this field will be a one-digit number (for example, "1", "2", etc.).
 - If some or all loop errors have been sorted separately, this field will be the range of loop registers printed (for example, "1-6", "2-6", or "3-6").

3.12.38.4.1.3
(01-01-2016)
Error Register Identification (ID) Line

- (1) The Error Register ID Line will identify each document on the error register and, sometimes, why the document is on the error register.
- The Error Register ID Line is always the first printed line for each document on the error register.
- Note:** If an error document is too long to fit on one page, the ID line for this split record is repeated on the next register page.
- (2) The Correction ABC and SN are present when requested on the Error Sort Card.

- See IRM 3.12.38.2.3.7, Disposition of Completed Registers, for procedures for assignment of the ABC/SN.
 - When the generated ABC/SN is not selected, each error record is preceded by “@@”.
- (3) The IRP error register may contain a “\$\$” or “%%” to the right of the generated SN.
- “%%” indicates that a correction record is needed but should not contain data for associated data errors.
 - See IRM 3.12.8, Information Returns Processing for specific information regarding this field.
- (4) The Error Sequence Number (ESN) is assigned to each raw input document that is determined to be in error.
- This number remains the ESN of the error document until the record is corrected or rejected from the Error File Tape.
 - The ESNs will not be in sequence on the error registers.
 - The first four positions of the ESN are the year digit and Julian date.
 - ESNs are assigned to all Error and BOB Records as they are entered on the files, whereas Error Records are sorted in various sequences prior to being printed on the Error Register.
- (5) The Service Center Block Control Number is a three-digit alpha-numeric assigned to a block of documents and input by ISRP for control purposes. It is used to associate error registers with blocks or documents.
- (6) The Batch Number is a four-digit number assigned to a group of blocks which have been associated for document control purposes and which have identical program code, tax class, document code, and other specific record criteria.
- (7) The Document Locator Number (DLN) is a unique 14-digit number assigned to each document within a block.
- (8) The Block Header MFT is a two position numeric code, which is used to further identify the types of documents in a block.
- (9) The Invalid Correction Error Reason Code is a code indicating that the last error register correction attempt was invalid.
- This invalid correction attempt will be identified by Error Reason Code AA for all Master Files.
 - See IRM 3.12.38.4.3.10, Invalid Correction Attempts, for a list of the various invalid correction attempt conditions.
 - This field will be blank if an invalid condition is not identified.
- (10) The Error Reason Codes are document specific codes explaining the reason an input document is on the error register.
- The Error Reason Codes and their related explanation and correction procedures are included in the **IRM 3.12** chapter for each document.
 - If the document does not have Error Reason Code, this field will be blank.
 - If an Error Reason Code is valid for a document, a maximum of nine two-digit Error Reason Codes can be present in this field.

- (11) The Math Status Code is a one-digit numeric code that indicates whether a return is mathematically correct, or in error within tolerance, or in error out of tolerance. If this Math Status Code is not used for a document, then the field is blank. The valid code values and meanings are as follows:
 - Blank - not relevant
 - “0” - non-money return
 - “1” - no math error
 - “2” - math error within tolerance
 - “3” - math error out of tolerance

- (12) The XXX (Specific Document) Error Reject Document Identification Data provides specific document identification data for more information regarding the records.
 - This ID data should not duplicate any information already provided in the Document ID Line or the Error Register Title Line.

Example: The Block Header Transaction Code for Revenue Receipt Documents is reflected in this field.

- (13) The Correction Loop Counter is a two-digit numeric field that provides the number of times a particular record has appeared on a Loop register.
- (14) The Correction Match Counter is a two-digit numeric field that provides the number of times that a document on the error register has had a correction matched to it.
- (15) The Last Action Code Used is a code identifying the correction action code applied to an error document to resolve an error condition.

Note: When more than one action code is present in the matching correction record, the first action code in the correction record is considered to be the last action code used.

- (16) The Error Register Consecutive Counter is an ascending and consecutive count of error records as they appear on the error register.
 - The counter is reset to “00001” with each change of Master File and each change of raw to loop register.
 - This counter should be used to determine the number of registers in a block of work.

3.12.38.4.1.4
(01-01-2016)
Error Register Document Sections

- (1) Each error register document record contains one or more sections of data.
 - The section number is displayed to the left of the first line of each section.
 - The first section number for each document is 01.
 - Other sections may follow, always in ascending order but not necessarily consecutively.
- (2) The fields of each section begin on the same line as the Section Number.
 - Each field is identified on the Error Register by an Alpha Field Designation printed before the field.

- The sign of the field is also printed on the Error Register for variable length input fields.
- When required, the sign of a field is printed after the field.
- If the field in error is one normally designated by an asterisk, the asterisk is printed in the first space immediately to the left of the field designator.
- The fields of a section must always be in the same sequence and must be corrected in that sequence.
- For correction purposes, each field is referred to by its Alpha Field Designation.
- The first field of each section is designated as the “A” field and letters are assigned in alphabetic sequence for the rest of the fields in the section.
- Corrections must be transcribed in alphabetical order.

3.12.38.4.2
(01-01-2016)

Types of Errors

(1) Types of errors are:

- Character
- Field
- Terminus
- Edit
- Validity
- Relationship
- Math
- Missing Section
- Extraneous Section

3.12.38.4.2.1
(01-01-2016)

Character Errors

(1) Character Errors include the following:

- A non-numeric character in a numeric field
- A non-alpha character in an alpha field
- A blank space in a numeric field
- A blank in the first position of an alpha field

3.12.38.4.2.2
(01-01-2016)

Field Errors

(1) A Field Error in a specific Alpha Field Designation indicates the field, or characters within the field, that failed a validity test.

- Correct by entering the correct data.

(2) Field Errors include the following:

- A non-numeric character in a numeric field
- A non-alpha character in an alpha field
- Blanks in a must enter field

(3) The Error Indicator for a Field Error is an asterisk (*) printed to the left of the Alpha Field Designation. Such fields contain valid alpha or numeric characters, but the field content is invalid.

Example: Only digits 1, 2, or 3 are acceptable to the program and 0, 4, 5, 6, 7, 8, or 9 has been transcribed, or a return period is prior to the acceptable ADP period. The specific validity tests for each type of document are listed in the various chapters of IRM 3.12.

- (4) An overflow field for a Field Error is identified by all question marks for a money field or a single pound sign in the last position of a name line.

3.12.38.4.2.3
(01-01-2016)
Terminus Errors

- (1) A Terminus Error is indicated by two asterisks (**) printed to the left of the Section Number. This indicates that there is a non-numeric character in a numeric field or that the format of the section is incorrect.
 - In case of a Terminus error, check that all necessary fields and sections are present.
 - If they are not present, enter the missing section with Action Code “5” and the fields with Action Code “6”.
 - If the data is correct, it will be necessary to re-enter a field using Action Code “6” to send the record to good tape.

3.12.38.4.2.4
(01-01-2016)
Edit Errors

- (1) The **Edit Error Indicator** is printed to the left of the Section Number. This error will be shown on the error register as follows:

Error Indicator	Description
“#1”	Split screen transmission <ul style="list-style-type: none"> • Key Verifier attempted to change Check Digit or, • Key Verifier changed 4 or more digits of TIN or, • the OE operator entered a required Section as “missing”, • the depositor account number (DAN) in Section 06 (which is input twice) was not entered the same way both times
“#2”	A mixed condition exists caused by back-to-back returns with the same data
“#3”	Invalid Section ending point
“#4”	Invalid field length
“#5”	A section was entered twice or entered out of sequence by ISRP

- (2) All fields of a section must be examined when the Edit Error Indicator is present.

Note: If Section 01 of a return is coded, also examine the tax base data section for error to ensure the return data is for the taxpayer whose name is in Section 01.

- (3) Even though one or more sections of a record are coded, the validity and consistency checks necessary for the record are made for all sections.

If the record is correct as it appears on the Error Register, use Action Code “7” to send the record to Good Tape.

- (4) Normal corrective action for fields in error is to be taken as instructed in the form specific IRM 3.12.

Note: An Action Code “4”, “5”, or “6” must be used for each section coded in error, unless Action Code “7” is used.

3.12.38.4.2.5
(01-01-2016)

Validity Errors

- (1) Data within the field is invalid and error indication has an asterisk (*) before the field.

3.12.38.4.2.6
(01-01-2016)

Relationship Errors

- (1) Relationship Errors involve more than one field of the error record.
- (2) The Error Indicator is the Error Reason Code and/or asterisks printed before the fields involved.
- (3) If an Exempt Organization (EO) entity changes and the error code is “01”, a pound sign (#) will be shown before the invalid field.

3.12.38.4.2.7
(01-01-2016)

Math Errors

- (1) Math Errors result when the computer computation differs from taxpayer’s.
- (2) The Error Indicator is the computer computation amount printed on the Error Register under the transcribed amount.

3.12.38.4.2.8
(01-01-2016)

Missing Section Errors

- (1) Missing Section Errors will be indicated by a single asterisk (*) to the left of the section number, indicating a missing required section.
- Use Action Code “6” to enter the missing data.

3.12.38.4.2.9
(01-01-2016)

Extraneous Section Errors

- (1) Extraneous Section Errors are indicated by a pound sign (#) to the left of the Section Number, that is invalid.
- Use Action Code “4” to delete an unnecessary section.

3.12.38.4.3
(01-01-2016)

Error / Reject Register Action Codes

- (1) This section of the manual provides information on Error/Reject Register Action Codes. Information in this section includes the following:
- Action Codes “0” through “9”
 - Invalid correction attempts

3.12.38.4.3.1
(01-01-2016)

Action Code “0”

- (1) **Never use Action Code “0” unless the error register already contains the correct tax data.**
- (2) **When Action Code “0” is used, no other Action Code is valid.**

3.12.38.4.3.2
(01-01-2016)

Action Code “1”

- (1) **Action Code “1” is entered to the left of Section 01 with a taxpayer notice code to indicate that the taxpayer has made a math error if:**
- The computer has computed the tax correctly and the tax computation per computer should be accepted by the Master File, **and**
 - All taxpayer entries have been transcribed correctly but the total tax due or overpayment is in error.

3.12.38.4.3.3
(01-01-2016)
Action Code “2”

- (2) Action Code “1” must be followed by a TPNC that is valid for the type of return and correctly advises the taxpayer of the reason for the error.
- (3) **When Action Code “1” is used, no other Action Code is valid.**
- (1) **Action Code “2” is used to delete, re-enter, or renumber records on Service Center Control File (SCCF).**
- (2) Action Code “2” is entered to the left of Section 01 and must be accompanied by a Reject Disposition Code. The valid Reject Disposition Codes are as follows:
 - 2-D - delete the document from the Reject inventory
 - 2-R - re-enter the document with the current DLN
 - 2-N - renumber the document
- (3) Be sure to maintain an audit trail of deleted documents. Notate on the register the reason for Action Code “2”.
- (4) Action Code “2” is valid for IRP and Reject Register only.
- (5) **When Action Code “2” is used, no other Action Code is valid.**

3.12.38.4.3.4
(01-01-2016)
Action Code “3”

- (1) **Enter Action Code “3” to the left of Section 01 for any record that is un-processable.**
- (2) Some of the reasons for using Action Code “3” are:
 - A return or other document with illegible or missing necessary data which requires more research or, taxpayer or area office contact.
 - A return/document that cannot be processed by the program under which it was blocked and must be processed with a DLN or Block Header for a different program.
 - A return or other document that data incorrectly transcribed in a field that cannot be changed by an Error Register Correction.
- (3) Action Code “3” is valid for Error Registers only.
Exception: Information Return Program (IRP)
- (4) Attach a Correspondence Action Sheet or Reject Routing Slip to the document to explain the invalid condition or intended corrective action.
- (5) Immediate action may be necessary to suppress generation of erroneous balance due or delinquency notices before rejecting a payment/delinquency return to be renumbered/re-entered.
- (6) **When Action Code “3” is used, no other Action Code is valid.**

3.12.38.4.3.5
(01-01-2016)
Action Code “4”

- (1) **Action Code “4” is used to delete a section from a register.**
 - This code is valid for any section that is considered optional by the return program.
 - Section 01 can never be deleted.

- (2) This code should not be used to delete a section identified as “missing” (a single asterisk in front of the section number). A missing section will be dropped automatically, if no data is entered in it.

3.12.38.4.3.6

(01-01-2016)

Action Code “5”

- (1) **Action Code “5” is used to add a section to a record on the register.**
- (2) Action Code “5” is followed by the number of the section being added, the alpha field designator(s), and the data for the section being added.
- This code is invalid for a section already on the register or a section that is not valid for the type of document being processed.
- (3) When adding sections, be sure that all corrections are entered in the proper sequence.
- If the document also requires Action Code “6” corrections, sections must be added in the proper sequence with respect to other corrected sections.
 - If the document requires no other corrections, sections may be added at any place on the record, provided that each new section is in the proper sequence.

3.12.38.4.3.7

(01-01-2025)

Action Code “6”

- (1) **Action Code “6” is used to change a field or fields of a section within the Error Record.**
- The computer identifies each field of a section with an Alpha Field Designation and prints the Alpha Field Designation before the field on the Error Register.
 - To correct a field, the incorrect field data must be lined out and the correct data entered above. Any number of fields may be changed during one correction cycle.
 - Enter Action Code “6” immediately to the left of the Section Number for the section being changed.
- (2) For purposes of entering corrected information above a line out entry on an Error Register, ERS and ISRP may agree to the use of shorthand notations developed as local procedures. No shorthand should be used unless a written agreement between ERS and ISRP has been issued. One example of a shorthand notation is shown below:

Example: Copper Cabana Bed & Breakfast ERROR:

An extra space has been entered between Copper and Cabana and ERS is currently required to rewrite the entire field to show Data what to input

- Shorthand Method: = (S1) Draw a circle around the S1. In this shorthand method, the **S** stands for space and the **1** means one extra space. **S1** with a circle around it will tell Data to re-input the line exactly as it reads but with the appropriate spaces.
- 01 A123456789+ = DCopper Cabana Bed & Breakfast+

Note: Do not line out Field D. Data has to read it to do the re-input.

- (3) When a fixed-length field must be blanked out or left partially blank, special procedures are required.

- If the fixed field requires leading blanks, always enter the number of blanks encircled, followed by the corrected data.
- If the fixed field requires blanks after the data or if the entire field must be blanked, the spaces must be accounted for only if another field is being corrected later in the section.

Note: See Figure 3.12.38-1, Field length correction.

Fixed Length Field

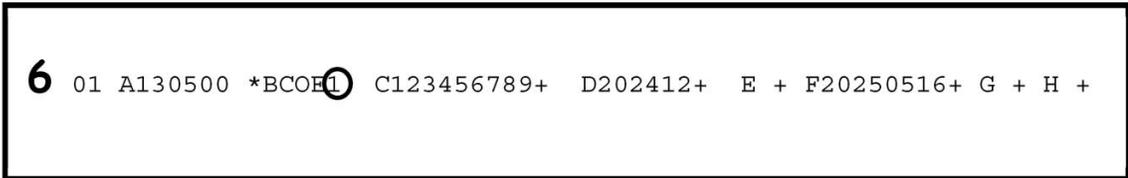


Figure 3.12.38-1 Field Length Correction

- (4) **Action Code “6” cannot be used to add, delete, or change the remittance amount on an error register. If the remittance is incorrect, use Action Code “3”.**

3.12.38.4.3.8
(01-01-2016)
Action Code “7”

- (1) **Action Code “7” is used to indicate that the data on the error register is correct and that no action is necessary.**
- (2) Use Action Code “7” to clear an error record that is on the register for a one time only validity condition.
- (3) The most common use of Action Code 7 is on Loop rejects where there has been an invalid correction attempt made, identified by the “AA”. Not every invalid correction attempt appears as an error on the register. Using AC 7 will cause it to revert to the original error on the next Loop Register.
- (4) Action Code “7” will not clear a math error condition even if the taxpayer was correct. Instead, use Action Code “0”.
- (5) **When Action Code “7” is used, no other Action Code is valid.**

3.12.38.4.3.9
(01-01-2016)
Action Code “9”

- (1) **Use Action Code “9” to re-reject a loop register for correspondence or other suspense action.**
- (2) This code is used to prevent a reject loop record from reprinting each time the loop is run, if the record is not ready for correction.
 - Action Code “9” is to be used for reject loop only. Do not use for raw rejects or error registers.
- (3) **When Action Code “9” is used, no other Action Code is valid.**

3.12.38.4.3.10
(01-01-2016)

Invalid Correction Attempts

- (1) Each correction attempt is subject to tests which ensure proper correction.
- If a correction attempt fails, the record will reappear on the Error Register with Error Reason Code "AA".
 - When Error Reason Code "AA" is present, correct the error register as if no other correction attempt has been made.

Caution: If you are unsure what the error is, use Action Code 7, which will allow the record to revert back to the original error on the next Loop Register. It can be easily corrected then.

- (2) For a given record, any correction that precedes the invalid correction attempt will print out as a corrected field.

- Any other corrections made after an invalid correction will not printout, an Error Reason Code "AA" will be present.

Example: Fields A, B, and C are to be corrected in a section and C was transcribed **Z**. **Z** is an invalid Alpha Field Designation for the Section.

The Error Register will have the corrected Fields A and B printed out, but Field C will still be incorrect.

3.12.38.4.3.10.1
(01-01-2016)

Action Codes - Invalid Correction

- (1) Action Codes "0", "1", "2", "3", and "7" are considered invalid correction attempts if:

- There is more than one section in the Correction Record for an Error Sequence Number, or
- The Correction Record contains other than the Error Sequence Number, Section Number 01, and Error Action Code, the TPNC for Action Code 1 only, or Reject Disposition Code, Action Code 2 only.

- (2) Action Code "4" is considered an invalid correction attempt if:

- An attempt is made to delete any section with a single asterisk (*) before the Section Number.
- An attempt is made to delete a section of an Error Record when the Error Record Section is not on the Error Tape.
- Attempts are made to delete the only section. Section Number 01, for a record.

- (3) Action Code "5" is considered an invalid correction attempt if:

- The Alpha Field Designators are not in alphabetic sequence.
- An attempt is made to add a section already in the error record.
- An attempt is made to add a section that has an invalid Section Number.
- An attempt is made to add a section with a field that has an Alpha Field Designation not possible for that section.

- (4) Action Code "6" is considered an invalid correction attempt if:

- The Alpha Field Designations are not in alphabetic sequence.
- An attempt is made to change a field of a section with an invalid Section Number or invalid field breaker.

- An attempt is made to change a field of a section which is not on the Error Tape.
- An attempt is made to change a field with an Alpha Field Designation not possible for that section.

3.12.38.4.4
(01-01-2023)
Combined Annual Wage Reporting (CAWR) Error Registers

- (1) The Error Resolution (ERS) Function will resolve any errors that occur on CAWR. If ERS is unable to resolve the errors, return them to the CAWR units to be resolved.

3.12.38.4.4.1
(01-01-2023)
Error Register Fields for CAWR

- (1) The Alpha Field Section One designations and length are shown below. Section 01 = All fields are fixed length.

FIELD	LENGTH	TITLE
A	4	Name Control
B	9	Employer Identification
C	4	Tax Period
D	2	Status Code
E	9	Transfer EIN
F	4	Transfer Tax Period
G	1	Transfer Indicator
H	1	W-3 Indicator
I	1	Correction Indicator
J		(Reserved)
K	11	Microfilm Sequence Number
L	7	Reported count of W-2s
M	3	Transaction Code

- (2) Section 02 - All Fields are variable length. This section is present only for Form 6209. Non-numeric figures may or may not be corrupted. To address this problem:

- If non-numeric data is entered in any of these fields, the error register will not show the non-numeric (corrupted) data.
- On the error register, in the TERMINUS INDICATOR will be 2 asterisks (**) (to the left of Section 02), and
- The field will be blank.

FIELD	LENGTH	TITLE
A	15	Social Security Wages (Form W-3 Amount)
B	15	Social Security Wages (Form W-2 Amount)
C	15	Social Security Tips (Form W-3 Amount)
D	15	Social Security Tips (Form W-2 Amount)
E	15	Federal Income Tax Withheld (Form W-3 Amount)
F	15	Federal Income Tax Withheld (Form W-2 Amount)
G	15	Earned Income Credit (Form W-3 Amount)
H	15	Earned Income Credit (Form W-2 Amount)
I	15	Medicare (Form W-3 Amount)
J	15	Medicare (Form W-2 Amount)

3.12.38.4.5
(01-01-2016)
**Reject Inventory
Controls (SCRS)**

- (1) This section of the manual lists the procedures that are to be followed for controlling the reject inventory. Information in this section includes the following:
- Reject Sequence Number (RSN)
 - Reject Register
 - Data Control deletes
 - Duplicate DLNs
 - Suppression of erroneous balance due and delinquency notices

3.12.38.4.5.1
(01-01-2016)
**Reject Sequence
Number (RSN)**

- (1) Rejects are maintained on a separate computer file from Errors and BOB.
- (2) The Reject Sequence Number is used to access each record on the file.
- (3) The Reject Sequence number is in the following format which consists of: X-XXX-XXXXXX
- Position 1 - year digit
 - Positions 2 through 4 - Julian date plus 600
 - Positions 5 through 10 - Consecutive serial number, beginning with 000001 for all new rejects on the file

3.12.38.4.5.2
(01-01-2016)
Reject Register

- (1) The Reject Register will remain in the Rejects Unit until the register is coded for transcription.
 1. If the document must be routed elsewhere, maintain a register file in DLN sequence order. Notate at the top of the register the date and area where the document was routed.
 2. Associate the document with the register when it is returned.

3.12.38.4.5.2.1
(01-01-2016)
Reject Register Title Line

- (1) The first line of the reject register is the title line.
- (2) Each register contains a literal in the title line which identifies the register as “raw”, “loop”, “re-reject”, or “special”.
- (3) The Entry Source Code is found on the title line. It identifies the last status of the document before it was rejected. The Entry Source Codes, and the meaning of each, are listed below:
 - D - Raw Input - the last function handling the document was ISRP. The document was Computer Condition Code (CCC) “U” coded by Code and Edit.
 - B - Corrected Block Out of Balance (BOB) - After ISRP, the block of document was worked by the BOB Resolution function.
 - U - Unpostables - The document was nullified to Rejects by Unpostables. The “U” will be followed by the Unpostable Code.
 - E - Error - The error register was “3” coded by Error Correction.
- (4) The program number is printed to the left of the name of the program on the title line.

3.12.38.4.5.2.2
(01-01-2016)
Reject Register Identification Line

- (1) The second line is the document ID line.
 - The batch number is printed between the ABC and DLN.
 - The last number on the right is the last action code used.
- (2) Each Reject is matched with its corresponding document. Make sure the DLNs and TINs on the register and document match.
- (3) The correction loop and correction match counter identifies the number of times a register has printed and the number of times a correction record has attempted to post to good tape.
 - The loop counter and match counter are reset for re-rejects.

3.12.38.4.5.3
(01-01-2016)
Suppression of Erroneous Balance Due and Delinquency Notices (SCRS Only)

- (1) Whenever a return must be renumbered/re-input because the document had been input to the wrong MFT, tax period, or correspondence was issued, address the possibility that erroneous return delinquency notices may be issued.
- (2) **TC 599 with Closing Code 17 must be input all SCRS BMF returns which may not be processed prior to the return delinquency check.**
- (3) Notate the document with “TC 599-17”, “TC 599-18”, or “STAUP-6” in the upper margin.
 - If the document has already been notated, no further action is required.

3.12.38.4.6
(01-01-2016)
SCRS Aged List

- (1) The SCRS Aged List is a listing of all open reject registers that have been in reject status 45 days or longer.
- (2) The Aged List is divided into four different age groups.
 - The 45-59 days list is ignored for age review.
 - Rejects are not aged prior to 60 days.
 - Every aged item over 60 days old will be reviewed and annotated within one week after receipt of the list.
 - Reject items in the 90-119 days category will be given top priority.
 - All records will be resolved within 120 days.
- (3) The Aged List will be printed at least once a week.
- (4) Shelved and early filed returns that have been included on the aged reports may be excluded from the numbers reported on the Rejects inventories. Exclusions will be the following:
 - Returns, such as early filed Form 1120-L, that must be held because programming changes necessary to process the forms are not available.
 - Returns or other documents for which delayed processing is specifically authorized by IRM 3.30.123, Processing Timeliness: Cycles, Criteria, and Critical Dates.
- (5) Care must be taken to carefully monitor these early filed returns.
- (6) The Reject Display Card is used to request the Aged List and should be printed at least once a week.
- (7) The Aged List can be printed in DLN, Reject Sequence Number, or TIN sequence, depending on the code used in the Display Card.

3.12.38.4.7
(03-02-2023)
Refund Returns 45 Day

- (1) Document Perfection is responsible for identifying refunds and for initiating requests for manual refunds.
- (2) Expeditious processing of refund returns is critical if the 45 day period is about to expire. #

(SCRS)

Note: If the **BMF** document has passed the 45 day jeopardy and the refund is less posting and refund systemically released rather than issuing a manual refund), then work the document and do not issue a manual refund. #

If	Then
The processing date is more than 20 days after received date or, the return due date (whichever is later) more, Exception: Form 8752 refund claims are not entitled to interest.	1. Enter Action Code 3 and reject the record. 2. Attach Form 4227 (or other proper routing slip) and give the return to the lead.

#

If	Then
<p>Note: Refund in this instruction means only the amount requested to be refunded to the taxpayer, not overpayments transferred to other periods.</p> <p>Exception: 8038-CP and 8752 returns need manual refunds if the refund</p>	<ol style="list-style-type: none"> 1. Do not leave the return in the block. 2. Enter Action Code 3 and reject the record. 3. Attach Form 4227(or other proper routing slip) and give the return to the lead.

#

3.12.38.5
(01-01-2016)
Rejects Tax Examiner Guidelines

- (1) A Reject is any document suspended from ERS processing, using CC SSPND. This removes the document from normal processing and allows other areas (e.g., Entity) to perfect and/or review the return, or to correspond with the taxpayer.
- (2) This section provides general procedures for Rejects Tax Examiners.

3.12.38.5.1
(01-01-2022)
Section 965 Returns

- (1) A Section 965 return can be identified by any of the following:
 - Form 965, Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System attached.
 - “Section 965” or “965 Tax” (or similar language) is notated on the return, attachments, or statements, or

Note: Section 965 is applicable for tax years 201712 through 202012.

- IRC 965 Transition Tax Statement (or similar 965 statement) is attached.

- (2) New fields and programming have been created for Section 965 returns. See form specific IRM instructions for Section 965 returns.
- (3) For Section 965 Manual Refunds, see IRM 3.12.38.5.6, Manual Refunds.

3.12.38.5.2
(05-10-2023)
Elective or Deemed Payment Elections and Credit Transfers

- (1) This section applies to forms with **tax periods 202201 through 202212**.

Note: Large Business and International (LB&I) and Tax Exempt Government Entities (TEGE) will continue to pull their reports to check for prior year returns claiming “Elective Payment Election” (EPE) or “Deemed Payment Election” (DPE).
- (2) 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 Payment Election” (EPE) or “Deemed Payment Election” (DPE).

- Transfer a credit to another taxpayer.
 - Claim the credit as a General Business Credit (Form 3800).
- (3) Identify an “Elective or Deemed Payment Election” when:
1. The taxpayer writes “IRA22DPE” on the return.
 2. The taxpayer writes “IRA22DPE” on attachments, or has a Form 3800 attached.
 3. ERS has suspended the document on Action Code 450.
Note: Ensure Action Code 450 is correct for the EPE or DPE return.
 4. See Form specific IRM instructions for “EPE”, and “DPE” returns.
- (4) Identify a “Credit Transfer” when:
1. The taxpayer writes “IRA22TRE” on the return.
 2. The taxpayer writes “IRA22TRE” on attachments or has a Form 3800 attached.
 3. ERS has suspended the document on Action Code 450.
Note: Ensure Action Code 450 is correct for the credit transfer return.
 4. See Form specific IRM instructions for “IRA22TRE” returns.
- (5) When Rejects receives an EPE return:
1. Ensure there is a Return Processing Code (RPC) “J”, RPC “K”, or both on the return.
 2. Continue processing the return and work all errors that display.
 3. Once the document is worked, put in the review basket for LB&I.
- 3.12.38.5.3
(01-01-2016)
Correspondence
- (1) This section of the manual lists the procedures that are to be followed for corresponding with taxpayers and working correspondence received from taxpayers.
- (2) Review document before issuing correspondence to ensure all needed information is requested the first time. Check IDRS to see if there is already a return (TC 150) posted for that tax period. If so, follow procedures for duplicate or amended returns, whichever applies.
- (3) Information in the section includes the following:
- ICO Letter Inventory Tracking System (ILITS) Tool
 - Use of Fax for taxpayer’s submission
 - Quick Notes (Form 5260)
 - Correspondence suspense
 - Form 4442 Referrals from Customer Service
 - Application to Adopt, Change, or Retain a Tax Year(Form 1128)
 - Second correspondence
 - Correspondence received date
 - Replies to correspondence
 - E-filed return replies to correspondence
 - No reply processing instructions

3.12.38.5.3.1
(01-01-2016)
**ICO Letter Inventory
Tracking System (ILITS)
Tool**

- (1) The Input Correction Operation Letter Inventory Tracking System (ILITS) is a tool developed by IAT that is used by the correspondence function to maintain and control the letter inventory. The tool performs three primary actions:
 - Add Case Controls
 - Close Single Case Controls, and
 - Purge Expired Case Controls
- (2) The LA49602 Report is a daily report on Control-D, which has the previous days letter input data. Use the “**Add Case Control**” feature daily to run the LA49602 file through the ILITS tool. Case controls are added to display the Batch Number on CC ENMOD, which identifies where the document is located in the suspense file. This control will also show on the CCA4243 Overage Report with a list of the controls assigned to the employee who ran the tool.
- (3) Use the “**Generate Batch Sheets**” feature to print all the batch sheets for that letter file. Associate each batch sheet with its related bundle and place the bundle in the suspense file in batch number order.
- (4) As correspondence **replies** are received, associate the reply with the return. Use the “**Close Single Case Control**” feature and the SSN on the reply/return to close the case control on CC ENMOD and activate the return to Workable Suspense Inventory.

Note: Do not perform a separate action with CC ACTVT.

- (5) Use the “**Purge Expired Case Controls**” feature to run the weekly Overage Report through the tool to close the case controls on the No Reply documents. No activation is necessary for the **No Reply** documents, because the suspense period has expired and automatically placed the documents in the Workable Suspense Inventory.

3.12.38.5.3.2
(01-01-2016)
Quick Notes, Form 5260

- (1) Quick notes may be used instead of IDRS letters when no IDRS letter is suitable or used for a less formal request for information or action. Retain a copy of each Quick Note with the return.
- (2) Mandatory review of Quick notes are required.
- (3) A quick note must have all the following:
 - Original and 1 copy of the letter
 - Request to return one copy of the letter with the reply
 - Tax Examiners name, employee number, and phone number
 - Return envelope
 - Return Address
- (4) Quick Notes should be brief and concise and written in business-like and non-threatening terms.
- (5) Specify the purpose of the letter, what information is needed, and what action will be taken if no reply is received.
- (6) Be sure to specify the type of document and the tax period in question.
- (7) In cases where the recipient of the letter is a trustee, guardian, or other legal representative, specify the name and TIN of the return entity.

3.12.38.5.3.3
(11-09-2017)

**Correspondence
Suspense**

- (1) When the taxpayer requests a photocopy of the return or part of the return in order to answer our correspondence:
 1. Photocopy the requested return or parts of the return.
 2. Route the copies and any necessary other letter to the taxpayer without charge.
- (2) When corresponding for a missing signature only:
 - a. If the return is a “refund” it must be held in suspense.
 - b. For domestic correspondence, SSPND with Action Code 225.
 - c. For international correspondence SSPND with Action Code 226.
 - d. After the letter is input, notate on the input date on the return.

Note: If corresponding for more than the signature the return must be held in suspense for the appropriate number of days.

- (3) Do not suspend using SSPND 225 to correspond for a missing signature if:
 - “Substitute for Return Prepared by IRS” is noted or “dummy” return.
 - “Section 6020(b)” or “prompt assessment” is notated or Form 4810 is attached.

Note: You are not required to inspect returns for missing signatures since no Error Code will appear for a missing signature; however, if you are led to the signature area of the return and it is not signed, you will take the appropriate actions.

Exception: When corresponding for other missing information, you are required to correspond for a missing signature.

3.12.38.5.3.4
(01-01-2016)

**Form 4442 Referrals
from Customer Service**

- (1) Address Changes - If the return referenced on Form 4442 is in Rejects awaiting a reply to taxpayer correspondence:
 - Input the new address information from Form 4442 in the correct fields for the type of form.
 - SSPND the return with Action Code 212 and re-send the correspondence to the new address.
 - If the return is not in Rejects when Form 4442 is received, return the Form 4442 to the originator with an indication that the return is no longer in Rejects (and the current location of the return, if known).
- (2) Responses to Reject Letters - If the Form 4442 transmits a response to a letter issued out of Rejects:
 - Treat the response as if it has been received directly from the taxpayer.
 - If the return is not in Rejects when Form 4442 is received, return the Form 4442 to the originator with an indication that the return is no longer in Rejects (and the current location of the return, if known).
- (3) **Other Issues** - If the Form 4442 does not indicate why it is being sent to Rejects, or is for a subject inappropriate for Reject action, send to the appropriate area.

3.12.38.5.3.5
(01-01-2017)
**Application to Adopt,
Change, or Retain a Tax
Year - Form 1128**

- (1) For tax years beginning after December 31, 1986, the Tax Reform Act of 1986 generally requires that all partnerships, S corporations, Personal Service corporations, and certain trusts conform their tax years to tax years of their owners.
 - Partnerships, S corporations, and Personal Service corporations are known as pass-through entities because the income is not taxed on the entity's tax return, but is passed through to the owners to be reported on their tax returns.
 - The purpose of this legislation is to eliminate the deferral period for reporting income when the tax year of the entity is different than the tax year of the owners.
- (2) Form 1128, Application to Adopt, Change, or Retain a Tax Year, is most commonly used for Form 1120 or Form 1120-S, but is also valid for various other forms including Form 1041, Form 1065, and Form 990.
- (3) If the accounting period is changed, approval is required. An approved Form 1128 may be attached but is not mandatory. The return may refer to an approval action date and approval symbol.
- (4) TC 053 and/or TC 054 on the entity identifies approved accounting period changes as a result of Form 1128.
- (5) Whenever there is no indication of an approved change of accounting period, route the return and Form 1128, suspend 320 to Entity.

3.12.38.5.3.6
(01-01-2016)
Second Correspondence

- (1) Second correspondence should only be prepared if:
 - The taxpayer gave us all the information previously requested, but we need more information to process the return. The letter should apologize to the taxpayer.

Note: We no longer correspond twice on EP/EO returns.

- (2) Enter Action Code 212 with SSPND for all second correspondence.
- (3) The original correspondence should be reissued, if TAS or the taxpayer has indicated non-receipt of the original request. Be sure to verify the address.
- (4) Never prepare more correspondence to the same taxpayer at the same address if the original is a "No Reply". Follow form specific No Reply procedures.

3.12.38.5.3.7
(03-02-2023)
**Correspondence
Received Date (CRD) - 8
Positions**

- (1) The Correspondence Received Date (CRD) will be present if returns were held in suspense and the reply is received **after** the Return Due Date.
- (2) Generally, the field designation is 01CRD but some returns have a different designation. Refer to the form specific IRM for instructions.
- (3) This field must be blank or have a numeric entry in YYYYMMDD format.
- (4) The field is invalid if:
 - Less than eight (8) numerics
 - Not in YYYYMMDD format

- Not within the valid month, day range
 - Greater than the current date
- (5) Determine the CRD for Fax replies, in the following priority:
- Correspondence Received Date stamp
 - Date the reply was faxed
 - Date entered on fax cover sheet by taxpayer
 - Current date
- (6) Determine all other Correspondence Received Dates in the following priority:
- Correspondence Received Date stamp. If multiple date stamps, use the CRD that made the return complete and processable.
 - Postmark date on reply envelope.
Note: For certified mail only, if a postmark is not present, look for the “usps.com record” attached to the correspondence right before the envelope. Use the “Acceptance” date.
 - Service Center Automated Mail Processing System (SCAMPS) digital date.
 - Current date.
- (7) Edit the correspondence received date (CRD) in the left margin of the return.
- (8) Do not edit the correspondence received date when:
- The correspondence reply was received before the return due date.
 - The correspondence was required because of an IRS processing error (for example, a request for a return or schedule that was lost during processing).
 - When the taxpayer makes a statement and/or the tax examiner determines the correspondence was not necessary or issued in error.
- (9) The Entity Assignment Date will be indicated, in the left hand margin on the front of the return, by a capital E and date assigned. Rejects will input this date into field 01CRD when Entity has assigned a new EIN.
- (10) If no reply or the correspondence was undeliverable, edit CCC “3” in the correct field, according to the return specific instructions.
- (1) When the reply is received from the taxpayer, you must enter the data onto the screen display/record or register including any address changes.

3.12.38.5.3.8
(03-02-2023)

**Replies to
Correspondence**

If	Then
The correspondence reply is associated with an Exempt Organization return - <ul style="list-style-type: none"> • Form 990 - TC 4, DC 93 • Form 990-EZ - TC 4, DC 92 for 2008 and later tax years. • Form 990-PF - TC 4, DC 91 • Form 990-T - TC 3, DC 93 • Form 4720 - TC 4, DC 71 • Form 5227 - TC 4, DC 83 	Rejects will forward the following responses to Imaging via the ERS clerical team: <ul style="list-style-type: none"> • Missing schedules, • Missing signatures, and • Correspondence for the Schedule B check box.
The correspondence reply is for other than an Exempt Organization return,	Follow procedures found in return specific 3.12 IRMs.

Note: Correspondence reply items that can't be attached to a return being processed should be routed to Files to be associated with the original return. Leave any audit trail information on the items being associated with the return such as "K-1 detached".

- (2) If EO return was previously deleted and sent back to the filer, and is received with all of the requested information, send return to be reprocessed.
- (3) Master File addresses should not be changed unless there is oral/written verification from the taxpayer or written information from the authorized Power of Attorney (POA).
- (4) You must enter the received date of the correspondence reply in the Correspondence Received Date field.
 - It is important that the correct information is entered to prevent erroneous tax refunds.
 - Be sure to enter the missing data and Correspondence Received Date before clearing the Priority I Error.
 - Use CC GTSEC for applicable sections.
- (5) Do not enter the received date in the Correspondence Received Date field in the following conditions:
 - The correspondence reply was received before the due date of the
 - The correspondence was required because of an IRS processing error, such as missing pages on Form 940 and Form 941 and the taxpayer shows that it was attached.
 - When the taxpayer makes a statement and/or the tax examiner determines the correspondence was not necessary or issued in error.

Note: A statement from the taxpayer indicating that the missing schedule or form was included with his return, indicates an IRS error so we would not input a CRD.
- (6) If the taxpayer submits an amended return, treat the amended return as the reply to the correspondence.

#

- (7) For replies to multiple tax periods, take one of the following actions:

If	Then
Taxpayer indicates on a non-remittance multiple period return how the data is to be divided,	<ol style="list-style-type: none"> 1. Prepare dummy returns for those periods. 2. Correct the original return to reflect liability for the earliest tax period. 3. Route the new returns to Receipt and Control for normal processing.
Taxpayer submits returns to cover all tax periods,	<ol style="list-style-type: none"> 1. Correct the rejected return to reflect the tax liability for one tax period. 2. Check ERINV to see if any of the other returns are needed for returns already in ERS Suspende. 3. Check BMFOLT to see if the other returns have already posted and these are duplicates. 4. Send the other returns to Batching and Numbering, if they are not needed for ERS Suspende returns and have not posted.

- (8) Input FRM49 for all Form 1120 replies in which Form 851, Affiliations Schedule, is received. If Pre-Paid credits are shown:
1. Use TC 590 with Closing Code 14 for each subsidiary. Note "590-14" on document. See IRM 3.11.16, Corporate Income Tax Returns.
 2. At the option of the SPC, research for the filing requirement can be performed before inputting the TC 590-14.
 3. If the filing requirement is "14", a TC 590-14 does not have to be input.
 4. If the reply states that the subsidiary is no longer part of a consolidated corporation, no action is required. Process the return as filed. The filing requirement will change back to "01".

Note: If BMF ERS/Rejects can't input FRM49, then send FYM mismatch between Parent and Subsidiary Corporations, to Entity.

- (9) Try to process as "no reply" when the taxpayer has indicated a refusal to comply.
- Otherwise, refer to Examination as a frivolous filer case.
- (10) If the taxpayer indicates that the response must be delayed:
- Because of illness,
 - The preparer is out of town, or
 - Other valid reason,

Attach the letter to the return. Resuspend the return with Action Code 212 as appropriate and leave in suspense.

- (11) If the taxpayer’s response is accompanied by a question/request and the information is not available to answer the question/request, send a copy to the appropriate area in the campus. Be sure that the taxpayer’s name, TIN, and the received date are on any correspondence leaving the area.
- (12) If more information is provided:
 - Correct the taxpayer’s record as appropriate.
 - Enter the received date of the correspondence reply in the Correspondence
 - Make the necessary corrections based on the new information.
 - If new issues are raised in the reply, follow procedures applicable to the original return.
 - When the taxpayer’s computations on the amended return do not agree with the campus’s computations, correct/process the return with the information provided by the taxpayer.

#

3.12.38.5.3.9
(01-01-2017)
**Annual Statement
Replies**

- (1) Form 1120-L, Form 1120-PC, and consolidated 1120 filers are required to submit an annual statement. C&E will correspond for the annual statements. The returns will be processed and not suspended.
- (2) Replies will be sent to ERS/Rejects to be associated with the original returns in Files. Research IDRS for the TC 150 DLN and notate it on the letter. Send to Files.

3.12.38.5.3.10
(01-01-2016)
Third Party Designee

- (1) If the taxpayer wants to allow an employee of their business or an individual paid preparer to discuss their BMF tax returns they may show their election by checking the “Yes” box in the “Third Party Designee” or “Paid Preparer” section of the return. The box is located near the signature section of the return. They also enter the name, phone number, and Preparer Tax Identification Number (PTIN).
- (2) The designation must specify an individual and may not refer to their payroll office or tax preparation firm. By checking the “Yes” box, they are authorizing the IRS to call the designated employee or paid preparer to answer questions that may arise during the processing of their return. The taxpayer is also authorizing the designee to:
 - Give the IRS any information that is missing from their return.
 - Call the IRS for information about the processing of their return or the status of their refund or overpayments.
 - Respond to certain IRS notices that they have shared with the designee about math errors and return preparation.

Note: Notices will not be sent to the designees.

- (3) The taxpayer is not authorizing the designee to:
 - Receive any refund checks or obligate the taxpayer to anything (including additional tax liability).
 - Otherwise represent the taxpayer before the IRS.

- (4) The authorization will automatically expire on the due date (without regard to extensions) when they file their tax return for the next year.
- (5) The taxpayer or the designee may revoke the designation before the expiration date by submitting a written statement of revocation. A TC 971, with Action Code 263 changes the Third Party Designee indicator to "0", to indicate a revocation.

Note: A third party indicator/check box field is shown on TXMOD (IMF and BMF), IMFOLR, BMFOLR, RTVUE and BRTVU. The field will show either:

Field Designator	Explanation
Blank	A Third Party Designee is not designated by the taxpayer.
1	Third party designee is designated by the taxpayer.
0	Third Party Designee is revoked.

3.12.38.5.3.11
(01-01-2024)
**E-Filed and Scanned
Return Replies to
Correspondence**

- (1) If the correspondence was generated from an electronically filed return, a refile DLN will need to be created so information can be attached. Ensure that the DLN on the correspondence matches the electronically filed return print.
- (2) If the taxpayer submits a paper (duplicate) return as part of the reply, cancel DLN and leave in original batch.
- (3) Tax returns that were filed on paper and scanned by Optical Character Recognition (OCR) scanners are referred to as Scanned Paper Returns (SPR). Data from SPR is sent through the Modernized e-File (MeF) system and the returns are viewable in the Enterprise User Portal (EUP).

Reminder: The information on the original PDF attachment overrides the style sheet. The Scanned Paper Returns may have transcription errors or omissions on the style sheet. The TE must always look at the original PDF attachment for each Form or Schedule attached to verify original information.

- (4) Computer Condition Code "Z" is entered into Field 01CCC at the scanning site when a SPR needs correction in ERS. CCC "Z" is invalid for Form 941, and Form 940 to force the return to fallout for ERS correction.

Note: After a return has been corrected in ERS, delete the "Z" from Field 01CCC.

- (5) If correspondence was generated from a scanned return, a refile DLN will need to be created so information can be attached. Ensure that the DLN on the correspondence matches the scanned filed return print.

Note: Signature correspondence for returns that have a refund will be retained in the ERS files. The clerks sending the letters will resuspend them to 211 (from 225), and send the letters with an "R" suspense instead of an "S". They will hold the refund returns for the reply.

- (6) Input TC 290 using IAT tool to generate a refile DLN to the Files area which is used to attach the reply.

Note: If TC 150 not posted, enter the Posting Delay Code (PSTNG-DLAY-CD) as 3.

Reminder: Research all Freeze Codes prior to using Posting Delay Code 3. If Freeze Codes -L, -R, and -S are present use Posting Delay Code 4. See Document 6209.

- (7) Use the following blocking series:

If MFT is	Then Blocking Series is
01	15
02	15
03	15
05	17
06	17
10	15
44	15
50	15
60	15
67	10

- (8) Complete Form 10274 and route in bundles of 100 or less to Files within 5 days of the TC 290 being processed.

Reminder: Form 6502 must have the IDRS input date and entire employee IDRS number.

- (9) The copy of the e-filed return is classified waste. Mark with “D” and discard.

3.12.38.5.3.12
(01-01-2019)
**No Reply/Incomplete
Reply Processing
Instructions**

- (1) Perfect all documents from available information.
- (2) Enter CCC 3 on all no replies or incomplete replies. Ensure that the taxpayer has had ample time to reply, equal to 40 days from the date of the letter, if not resuspend AC 212 to allow adequate time.

Exception: Do not enter CCC 3 if correspondence was required due to an IRS processing error, or if correspondence was issued in error.

- (3) Follow “no reply” procedures in specific 3.12 IRMs.

Caution: Before disclosing any tax information, you must be sure you are speaking with the taxpayer or authorized representative. See the Taxpayer Authentication guidelines in IRM 21.1.3.2.3, Required Taxpayer Authentication and IRM 21.1.3.2.4, Additional Taxpayer Authentication. Also, before

leaving any messages on a taxpayer's answering machine, review IRM 11.3.2.6.1, Leaving Information on Answering Machines/Voice Mail. Fax procedures contained in IRM 11.3.1.14, Facsimile (FAX), Electronic Facsimile (E-FAX), and IRS Internal Enterprise Electronic Facsimile (EEFAX) Transmission of Tax Information, must be reviewed before faxing confidential information to the taxpayer.

- (4) If you are unable to identify where an excess remittance belongs, transfer it to the Unidentified Remittance File (URF). The taxpayer may be contacted by telephone, if they provided a number, to determine the correct application of the excess remittance before transferring to Unidentified. See IRM 3.12.38.5.20.3, Transfers to Unidentified.

3.12.38.5.3.12.1
(01-01-2016)
No Reply/Incomplete Reply Processing Instructions for E-file

- (1) Enter CCC 3 on all no replies or incomplete replies.
- Exception:** Do not enter CCC 3 if the correspondence was issued in error.
- (2) Mark "D" on the copy of the e-file return and discard return as well as CAS as classified waste.

3.12.38.5.4
(01-01-2016)
Review of Aged Cases

- (1) This section of the manual lists the procedures that are to be followed for reviewing aged cases. Information in this section includes the following:
- Rejects aged list
 - ERS aged items
 - SCCF aged items
 - On-line SCCF research

3.12.38.5.4.1
(01-01-2016)
Rejects Aged List

- (1) The Reject Aged List is a listing of all open reject registers that are in reject status 45 days or longer.
- The Reject Display Card is used to request the Aged List. The Aged List can be printed in DLN, Reject Sequence Number, or TIN sequence, depending on the code used in the Display Card. **The Aged List will be printed at least once a week.**
- (2) The Aged List is divided into four age groupings:
- The 45-59 days list is skipped for age review. Rejects are not aged before 60 days.
 - Every aged item over 60 days old will be reviewed and annotated within one week after receipt of list.
 - Reject items in the 90-119 days category will be given top priority.
 - All records will be resolved within 120 days.
- (3) Shelved and early filed returns that are on the aged reports (both ERS and SCRS) will be excluded from the numbers reported on the Rejects inventories. Exclusions include:
- Full paid returns prior to August 1, that have not been input by ISRP and are not identified on the SCCF as shelved.
 - Returns that are held because programming changes necessary to process the forms are not available.

- Returns or other documents for which delayed processing is specifically authorized by IRM 3.30.123, Processing Timeliness.

Caution: Carefully monitor these early filed returns.

3.12.38.5.4.1.1
(01-01-2016)
**Working and Clearing
“Aged” Rejects**

- (1) Employees working the “Aged” list must be knowledgeable on the research tools/listings applicable for the control of reject records.
- (2) Attempt to locate all “Aged” reject cases.
 1. Check correspondence suspense file.
 2. Check Form 3210, Document Transmittal.
 3. Search any other files held by TEs or clerks within Rejects.
 4. Use CC ESTAB or the appropriate CCs to request missing documents from Files.
- (3) When items are located, determine reason for the delay in processing. Notate on the Aged Listing where items are held and the reason.

Example: Correspondence suspense file-msg. 4136, in-process-tp reply rec’d, Entity-need EIN, etc.

- (4) Items on listing which cannot be located must be researched and any action taken notated.
 - Research IDRS for posting or possibility that item has been assigned to another area.
 - Prepare request for account transcript and any entity information needed.
 - Request “Special Search” using the form returned from Files.
 - Enter CC SCFTR to determine if the item remains open on SCCF. If open on SCCF, refer to IRM 3.12.38.5.17.1.2, Preparing Form 3893. If item is closed on the SCCF, then the reject record can be deleted off the Reject Inventory File with Code 2-R or from ERS with RJECT 660. Enter Action Code on the register and send to ISRP on next input.

Note: If the reject register is not available, use the file copy or reconstruct a new register.

3.12.38.5.4.2
(11-09-2017)
ERS Aged Items

- (1) **The following ERS listings will be used to identify and resolve aged cases. Any record on CC ERINV, “Total Days ERS” shown as 60 days or more is aged.**
 - The weekly ERS 31-40, Error Resolution Unworkable Suspense Aged Report, lists all records currently in Unworkable Suspense that have been in the ERS system for 45 or more calendar days.
 - The weekly ERS 31-41, Error Resolution Workable Suspense Inventory listing are received for records in Workable Suspense for 0 or more days.
- (2) ERS 31-40, Unworkable Suspense Aged Report, is available on Control D.
 - Each Unworkable Suspense record in which the current date is at least 45 calendar days later than the Control Day will print on the listing. The

Control Date is the Julian day the record is received in Input Correction and can be determined from CC ERINV or CC SCFTR.

- Records are sorted by Control Day for each Master File, with the oldest records listed first. Records are sorted by DLN within control day. The actual aged days should be determined using ERINV, "Total Days ERS".

(3) The ERS 31-41, Error Resolution Workable Suspense Report, is received weekly when records have been in the Workable Suspense Inventory for zero working days, and will appear on this listing in intervals of 5 days until the case is removed from the inventory or placed in unworkable status. All records on this listing are considered aged:

- Correspondence items in Status 321/322 should be reviewed to determine the actual date that the correspondence was issued and, if appropriate, processed as "No Reply" cases.
- Initiate the appropriate follow-up action to locate and process each aged item.
- Workable Suspense items that truly require more time to resolve should be resuspended.
- Annotate the Aged listing and the Suspense charge-out to document your research actions.

3.12.38.5.4.3 (05-10-2023)

SCCF Aged Items

(1) Review the error and reject inventories on a weekly basis by reviewing the SCCF Aged Report (SCF 07-50 and SCF 07-51) using Control D. Reports are generated on the first processing day of each new cycle and are available on the first workday of the new week (Friday). Reports will be worked weekly and submitted to Accounting no later than 10 a.m. on Monday.

- For SCCF purposes, Rejects includes both reject registers and ERS suspense records.
- Each DLN on the SCCF transcript should be reviewed and annotated.

(2) Annotations will be specific and include:

- Reason it is aged, i.e. NU for nullified unpostable, or early filed return,
- Date received in Rejects Inventory.
- What action has been taken or will be taken to resolve the aged item.

(3) Aged error items are on the same list and will also be resolved by Rejects with the assistance from Error Resolution.

- Closed items from Error Correction should be annotated on the transcript.
- If the DLN is not on the ERS/Rejects inventory, refer to Accounting.
- If an aged item is determined to be open after online SCCF adjustment, refer to Accounting.

(4) Another portion of the SCCF Aged Transcript will be worked jointly between Rejects and Data Control. This is the "Aged Man Er/Rej Modules", SCF 07-51. This transcript includes aged blocks with **either** of the following conditions:

- Open items in both SCCF manual balance and the error or reject balance.
- Items that were coded as reentries by Rejects (From-To Code 4-0) and have no subsequent activity.

- (5) SCCF aging is based on variable criteria. The following reject and error items are considered aged:
- Any return block with an open reject balance and no activity for 13 weeks.
 - Any non-return block with an open reject balance and no activity for 8 weeks.
 - Any block with open error balance for 4 weeks (8 weeks for IRP).
 - Any block that has been open on the SCCF for 16 weeks, regardless of activity (13 weeks for Document Codes 17, 18, and 19).

3.12.38.5.4.3.1
(05-10-2023)
Researching the SCCF Aged List

- (1) Notify Data Control by the 20th of each month of any open rejects in Rejects inventory for 90 days or more and are still being worked by other campus functions. The emphasis will be to close three months or more aged items quickly.
- (2) It is necessary to read and understand SCCF transcripts to review SCCF aged items and perform other SCCF related duties.
- (3) Work the SCCF Aged Listings on a weekly basis.
- (4) Work the SCCF Aged List (SCF 07-50 and SCF 07-51) in coordination with the Reject Aged List to avoid duplication of efforts. Items listed on the SCCF Aged may not be aged in the Reject Inventory.
- (5) Annotate the SCCF Aged Lists with detailed explanations.
- If the case will be closed before the next report is due, notate closed by and put the expected closing date.
 - If not, what form is it, what is the problem, and what is being done to resolve the issue, for example: 1041, missing return, special search.
 - Use ditto marks or vertical lines for identical remarks, to save time.
 - Provide a copy of the annotated report to the Data Control Unit in Accounting.
- (6) Rejects is responsible for the research of aged items on the SCCF Reports that are in ERS and Reject Inventories. They will provide the status information to Data Control, so history items can be added to the SCCF transcript:
- If the record is in ERS, locate the document and resolve quickly.
 - If the record is no longer in Rejects or ERS, research the closed listing to see the resolution.
 - If the record is no longer in Rejects and the document has not finished processing, check the ERS 05-40.
 - If the record was closed in error, prepare any necessary SCCF adjustments or obtain the document and re-input, if needed.

Caution: There will be no SCCF inventories aged over 3 months, without providing a written explanation to the Data Control Unit.

3.12.38.5.4.3.2
(01-01-2016)
SCCF Transcript Format

- (1) The transcript format described here is used for all Master Files.

- (2) The original count and amount is the total for the block shown in the control record with From-To Code 0-0.
- Code 7-0 is an increase.
 - Code 8-0 is a decrease.
- (3) The other balances on the transcript are manual, error, reject, and file delete. The reject balance should always agree with the count and amount of items on the reject file plus ERS suspense.
- (4) The Record Type ID Code identifies the type of record that posted to the SCCF.
- 0 = SCCF Adjustment Record (except renumber)
 - 1 = Master Control Record
 - 2 = BOB Control Record
 - 4 = Generated SCCF Adjustment Record
 - 5 = Delete or Re-enter Block Proof Record
 - 6 = Renumber Block Proof Record or Renumber Adjustment Record
 - 7 = Good, Error, or Reject Block Proof Record
- (5) The From and To Codes show the effect on SCCF balances. If the From Code is 0 to 6, the standard meanings apply.

From Code	To Code	Meaning	SCCF Balance Affected
0	0	Raw data/re-input	Manual
1	1	BOBs	Manual
2	2	Deletes	Delete
3	3	Errors	Error
4	4	Rejects and ERS Suspense	Reject
5	5	Good Tape	None
6	4	Unpostables	Reject

- (6) When the From Code is 7, 8, or 9 special meanings apply.

From Code	To Code	Meaning	SCCF Balance Affected
7	0	Increase the original balance	Suspense
8	0	Decrease the original balance	Suspense
7	7	Turn the ADSI On	None
8	7	Turn the ADSI Off	None
8	2	Remove the block from the SCCF	All
9	9	Information only	None

Note: Normally, these special codes are not used by Rejects. No corrected error or reject document can post to the Master File if the ADSI is on.

- (7) The Re-input Source Code is:
 - N for nullified (rejected) unpostables
 - R for reprocessable
 - U for applications from the URF
- (8) The next fields are the SCCF posting tax year, Julian date, posting cycle, document count, serial number, and amount.
- (9) The cross-reference DLN is printed for any renumber record or new DLN created by a renumber record. The cross-reference serial number will print in the second serial number field.

3.12.38.5.4.3.3
(01-01-2020)

Online SCCF Research

- (1) To access any DLN on the SCCF, enter CC SCFTR, space, followed by the Master File System Code, the Block DLN, and XMIT.
- (2) The Master File System Codes are:
 - 1= IMF/IRAF
 - 2 = BMF
 - 6 = Automated Non-Master File (ANMF) (KCSPC only)
- (3) The DLN must be entered as 12 numerics without hyphens or spaces.
- (4) If the DLN has been entered correctly and is open on the SCCF, the complete transcript is displayed.
- (5) The online control file should be updated continually by CC SCFAJ nightly from batch processing.
- (6) The Control File Block Status Code, field S on the transcript, identifies the current status of the block on the SCCF. The values are:
 - A = Active
 - D = Being deleted
 - H = Historic
 - I = Inactive (no open balances)
 - S = Shelved
- (7) The Control File Age Indicator shows the number of times that a block has been selected for SCCF age review.
 - Each time the block is printed on the SCCF age transcript, the indicator is increased by one.
 - The indicator is never decreased except when the block is removed to the Historic Cycle.
- (8) The Historic Cycle (HC) indicates the cycle that a block had previously gone to the Historic transcript.

Note: To reactive historical records, move the cursor below the historical record message and transmit. The record will be available on SCCF the next day.

3.12.38.5.4.4
(01-01-2016)**Data Control Deletes**

- (1) Data Control Deletes are removed from ERS with Action Code 660. SCRS with Action Code 2-R.
- (2) These are records that have been selected by Data Control in Accounting for deletion.
 - Data Control function may access an ERS record and delete it, instead of indicating to ERS Tax Examiners which records to delete at the SPC option.
 - Regardless of the method used to enter "RJECT 660" ERS, "2-R" SCRS, the documents will be pulled by Data Control.
- (3) Compare the DLNs with Action Code 660 on the Rejected Records List with the list of deletes received from Data Control to ensure that the correct records were deleted.
- (4) If Data Control has deleted the records by accessing the ERS file, no verification is necessary.
 1. If the correct documents were deleted, destroy the charge-outs and mark both lists to show that the items have been deleted.
 2. If any Action Code 660 charge-out does not match the Data Control list, pull the document using local procedures and annotate the Rejected Records List and all copies of the charge-out that the record was deleted in error.
 3. Route the document and remaining copies of the charge-out (according to local procedures) for preparation of the necessary forms to adjust the SCCF and reenter the document.

3.12.38.5.4.5
(01-01-2016)**Duplicate DLNs**

- (1) The Document Locator Number is used in ERS to control every record on the file.
- (2) Items in the error inventory are controlled by block DLN, while suspense records are controlled by 14-digit DLN.
- (3) If a DLN attempts to establish on the ERS inventory for a DLN that is already on the file, the record is passed to the Suspense Inventory.
 - If the 14-digit DLN does not match another on the workable inventory, the record will become part of Workable suspense, with a generated Action Code 700 and Status Code 470.
 - After accessing the Suspense Record by 14-digit DLN, clear the Action Code 700 and correct as an error record.
 - If ERS 19-40 is generated work the workable document first, then activate unworkable and cancel DLN.

3.12.38.5.4.6
(01-01-2016)**Purged ERS Records**

- (1) Identical 14-digit DLNs are not permitted in the same ERS inventory at the same time.
- (2) If a second record attempts to establish on either the Workable or Unworkable Suspense Inventory, one is purged from ERS and creates ERS 17-42.
 - A record already on the Unworkable file has priority over a new record trying to establish on that file.
 - A record on the Workable file has priority over a new or Unworkable record attempting to establish on the Workable file.

- A record being activated from the Unworkable file has priority over a new record trying to establish on the Workable file.
- (3) All purged ERS records are listed on the Duplicate Document DLN Register.
 - (4) The Action Code indicates the previous status of the record being purged. The codes are as follows:
 - 711 - From Code and Edit
 - 712 - From Error Correction
 - 713 - From Unpostables
 - 714 - From Unworkable Suspense
 - (5) No SCCF control records are produced for documents purged from ERS.
 - (6) If not prepared by Data Control, use Form 4028, Service Center Control File Adjustment Record (SCCF Format Code 216), to correct the SCCF for deleted and/or renumbered documents.
 - (7) Most duplicate DLN cases will have already been identified by the Data Control function in Accounting.

If Data Control	Then
Has already requested deletion of the document on the duplicate listing,	No further action is necessary. The document has already been deleted from ERS and Data Control will complete the required action on the SCCF.
Has requested deletion of the other document with that DLN,	<ol style="list-style-type: none"> 1. Enter RJECT 630, for the DLN on ERS. 2. Then re-enter the document erroneously deleted from ERS. 3. Contact Data Control or research the SCCF with CC SCFTR to ensure that the SCCF will accept this re-entry. 4. It may be necessary to prepare Form 4028 with From-To Code 3-2 or 4-0 before routing the document to Batching with Form 3893.
Wants both documents deleted,	Enter "RJECT 660" to delete the first DLN, prepare a Form 4028 and route to Accounting.
Has not identified the duplicate condition,	<ol style="list-style-type: none"> 1. Contact Data Control for further instructions. 2. SCCF research will be used to determine if the documents must be re-entered.

Note: Never void a return that has had a manual refund issued.

- (8) A 2 part charge-out is generated for each item on the duplicate listing
 - For Action Codes 711 and 712, the documents should be located in blocks still in the Error Correction work area.
 - For Action Code 713, the documents are routed by Unpostables to Error Resolution.
- (9) Detach and route the original copy of the charge-out to Files for insertion into the block.
- (10) The documents are already charged to ERS Suspense, route the original copy of the charge-out to Files for insertion into the block next to the previous charge-out for Action Code 714.
- (11) Regardless of Action Code, the documents may have already been charged to Data Control.
- (12) Insert the original copy of the charge-out into the block where the document had been previously filed.
- (13) The second and third copies of the “Duplicate” charge-out may be destroyed when the case is resolved, or the second or third copy may be attached to the back of the return to provide an audit trail.
- (14) All duplicate DLN cases raise questions regarding the validity of any record still on the ERS file for the block DLN.
 - a. If the duplicate DLN is not resolved immediately, enter CC SSPND 420 for all documents on the Workable ERS file for the block DLN in question.
 - b. Pull the block or blocks of documents and do not release (except to Data Control) until the case is resolved.

3.12.38.5.5
(01-01-2016)
Missing Documents

- (1) This section of the manual lists the procedures that are to be followed for resolving missing document situations. Information in this section includes the following:
 - General guidelines
 - Required research

3.12.38.5.5.1
(01-01-2016)
**Missing Documents
Guidelines**

- (1) The guidelines for resolving Missing Document Records are basically the same for Reject records and ERS records.
 - Your instructions will specify ERS or Reject record where different actions must be taken.
- (2) Every attempt to locate missing aged items will be made until the Rejects Supervisor determines that continued research is unwarranted.
- (3) Unpostables will have already attempted to locate the missing document for records received from the Generalized Unpostables File (GUF). Do a special search (Green Flag) as soon as documentation comes into Rejects Inventory.
- (4) All research documentation will be attached to the file before being sent to Rejects.

3.12.38.5.5.2
(01-01-2016)
**Missing Documents -
Required Research**

- (5) The records should be reviewed to determine whether the case can be worked without the document before continuing the research or reconstruct as needed.
- (6) Before attempting reconstruction or write-off of a statute period document, be sure the document has current clearance by the Statute Control function.

- (1) After two weeks from the reject date of the register or the control day on the Form 8161, ERS Return Charge-Out, initiate a request for a Files search for the document.

Note: If the documents have been delayed in routing to Files, this two week period may be extended but not beyond four weeks.

- (2) The first search for a missing document should be inputting CC ESTAB or the appropriate CCs on the terminal. This action generates Form 4251 to Files, where the search is performed. The result of the search, or the requested document is returned to you with this form.
- (3) If Form 4251 is sent back indicating no document found, initiate request for a special search one month from the date of the first search request.
 - Submission Processing Center management may reduce or eliminate the waiting period for requesting the special search.
- (4) Send Form 4251 back to Files with instructions to perform a special search.
- (5) Be sure to keep a history as each attempt is made to resolve the case.
- (6) Use Form 6752, copy 3 of Form 8161, ERS Return Charge-Out, or a locally developed form to maintain the history information.
- (7) If two negative responses are received from files, (document not in block etc.), ESTAB for entire block.
- (8) When the block is received, thoroughly search the block for a related charge-out before deciding the required document is missing.
- (9) For EPMF missing documents, see IRM 3.12.22, Error Resolution Employee Plan Excise Tax Return.
- (10) If the document is missing, research the TIN using IDRS, including all the appropriate CCs available for name and address or for the possibility that the return may have been assigned to another area of the campus or has posted with a different DLN.
- (11) For Document Codes 17, 18, 20, 24, 45, 48, or 58, 70, or 76 credits or debits, research IDRS to determine the proper application.
 - a. If unable to apply the credit to the taxpayer's account, transfer to Unidentified within 30 days.
 - b. Contact the Accounting Branch for further instructions if unable to apply the debit.
- (12) Nullified Unpostables will be subject to a special search as soon as the documentation comes into Rejects Inventory.

3.12.38.5.6
(09-01-2022)
Manual Refunds

- (1) A manual refund is a refund not generated through normal Master File processing, bypassing all systemic safeguards. For this reason, caution must be used when issuing manual refunds. Manual refunds are requested on Form 5792, Request for IDRS Generated Refund, or Form 3753, Manual Refund

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Note: Form 3753 must be used when issuing a manual refund on a return requesting direct deposit.

- Both of these forms **must be** accessed through IAT via the Manual Refund Tool. The use of IAT is **mandatory** to prevent duplicate refunds. The Manual Refund Tool assists the TE with processing a Manual Refund case. It conducts preliminary research and will auto-fill portions of Form 5792 and Form 3753. Job aids for refund tools are available at <https://irs.gov.sharepoint.com/sites/IAT>.

Note: IDRS input of CC RFUND is no longer an option, so manual refunds must be prepared on IAT.

- (2) Expedite processing prior to the end of the calendar year, in order to reduce the number of manual refunds required.

Caution: Before releasing the Manual Refund, ensure all returns suspended to Entity has 10 days to review the return.

- MFREQ C the accounts to verify any credits on these end of year manual refunds.

- (3) **Section 965 Returns** - Extra care must be utilized when issuing manual refunds on Section 965 returns. The only time the taxpayer will be entitled to the refund requested is when the **refund amount exceeds the deferred tax amount**. If the refund requested exceeds the deferred tax amount, then the taxpayer is entitled to refund for difference between deferred tax and overpayment and not the entire refund amount requested.

Example 1: Taxpayer requests refund of \$1,000.00. The taxpayer's deferred Section 965 tax is \$800.00. The refund amount must be reduced to \$200.00.

Example 2: Taxpayer requests refund of \$1,000.00. The taxpayer's deferred Section 965 tax is \$1500.00. The refund amount must be reduced to zero (0).

- (4) **Form 8827, Credit for Prior Year Minimum Tax-Corporations.**

Note: Starting January 1, 2020; sequestration of Form 8827, Credit for Prior Year Minimum Tax Corporations, is no longer required, therefore, manual refunds can be issued as normal.

- (5) The more common reasons for issuing a manual refund are:

- A hardship situation necessitates a faster refund (TAS case). TAS prepares their own manual refunds and CCC O the returns.
- The 45 day interest free period is in jeopardy and the refund is

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Exception: Manual refunds will still need to be done for refund returns requesting

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Note: If the **BMF** document has passed the 45 day jeopardy and the refund is less posting and refund systemically released rather than issuing a manual refund), then work the document and do not issue a manual refund.

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(6) Never issue a manual refund on any original return marked "Protective Claim." These returns should not be processed, void the DLN and route the return to Accounts Management.

Exception: For Form 706 only: (1) Verify that the return is a protective claim - check box Part 4 Line 6 is yes and/or SCH PC is attached, (2) Verify that Field 0606 is a "1" for yes, (3) If no indication that Code and Edit has already forwarded a copy of the SCH PC to E&G (edited in left margin; IRM 3.11.106.4.7) scan SCH PC and Efax to E&G, (4) Leave original SCH PC with return and process the return without issuing a manual refund. If C&E has already sent the SCH PC to E&G, follow step (4). This process only applies to Form 706, all other BMF returns follow the guidelines in 3.12.38.5.5(6).

(7) Don't issue manual refunds in these cases:

- Amended returns (returns marked amended or other indication on the return that it is an amended return),
- No reply returns (CCC 3 is present), or
- Prepaid credits are insufficient for the refund claimed and reduces the

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Exception: A refund will be issued for any amount on a non liable return. See paragraph 9 below.

- TC 971 AC 711 is present on TXMOD.

Caution: If the TC 971 AC 711 is reversed by a TC 972 AC 711/712 then prepare the manual refund.

Note: Close control on TXMOD and leave history explaining why manual refund was not issued.

(8) Form 8752 refund returns are not entitled to interest, so a manual refund will

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(9) Rejects will issue the manual refunds on cases received from Entity Control/ Unpostables, where payments are posted to the module, but were received from filers who are not liable. No credit interest will apply to these.

Example: Taxpayer files a Form 940 and isn't liable for FUTA tax.

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return has been reviewed and cleared by RICS. If the return hasn't already been reviewed and cleared by RICS, attach Form 4227 and refer to RICS to review.

Note: RICS will stamp the return after review.

- (11) Contact RICS if all of the following exist:

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Note: If there is a TC 971 AC 711 on the account and NO TC 973, this indicates there is an unprocessable condition in SP that must be resolved prior to RICS resolution of the account.

- If there is a closed IDRS control originally assigned to 1381400000 with activity of "ISSUELTR" along with a new IDRS control originally assigned to 1481055555 with activity of either "FXMMDDYYYY" or "CRMMDDYYYY".
- If it has been 15 days past the response received date (MMDDYYYY). :

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them in the funny box for Exam/FRP.

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delay.

Some fraudulent returns have Form 1099-OID attached and some have Form 1096. Other false financial instruments may be filed in the place of or in addition to the Form 1099-OID such as Form 2439, promissory notes, bonds, sight drafts, etc. **Any return with a Form 1099-OID and/or Form 1099-MISC**

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generated systemically.

- (13) All manual refunds will be reviewed by the Authorizing Official prior to sending them to Accounting. In addition, **all** manual refunds will be reviewed by the designated individual, following the procedures in IRM 3.12.38.5.6.8, Monitoring Manual Refunds.

Note: ERS/Rejects will re-issue returned manual refunds once, after they are

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taxpayer.

- (14) For mixed component refund returns, refer to IRM 3.12.251, Corporation Income Tax Returns and IRM 3.12.16, Corporate Income Tax Returns. A mixed component return is defined as multiple types of 1120s that compute tax differently.

Example: Form 1120-L, Form 1120-PC, and Form 1120 all filed on one Form 1120.

- (15) IRC 847(2) requires certain insurance companies to make Special Estimated Tax Payments (SETPs) in the amount equal to the tax benefit derived from the additional deduction permitted under the statute. Returns with Special Estimated Tax Payments require special handling. These returns can be Form 1120, Form 1120-L, and Form 1120-PC. See IRM 3.12.38.5.6.4, Section 847 Form 1120, 1120-L, and 1120-PC.

- (16) An original tax return that cannot be processed as submitted is ineligible to receive payment of interest on any overpayment until the return is deemed processable - IRC 6611(g). A CRD is input to reflect when the return became processable, i.e., when an EIN was assigned by Entity. Input of the CRD generally avoids paying payment of interest, unless the refund is not issued within 45 days after the CRD (180 days in the case of an overpayment attributable to tax deducted and withheld under Chapters 3 and 4) - see IRM 20.2.4,

Overpayment Interest. CCC 3, entered when the taxpayer fails to respond to correspondence needed to make the return processable, blocks payment of interest altogether, regardless of the 45-/180-day criteria.

(17) If a manual refund must be issued:

- The manual refund can exceed the refund being requested on the return. Attach prints of the unclaimed payments, credit elect, etc., and notate in the Remarks box on the refund form, why the refund amount is more than the refund requested.

Example: “Unclaimed credit elect for \$500 added to refund” or “Unclaimed ES payments for \$1,000.”

- The return must be complete with all required schedules and information documents. Signatures are required.
- Math verify the return.
- Verify all prepaid credits.
- Accounting requires an ERS screen print showing the CCC O has been input for the return, or a SCRS print showing the CCC O coding.

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attached, including **all schedules**.

- **Use CC IRPTRO to verify all withholding when supporting documentation is missing, if IRPTR does not show the withholding credits, place the return in the Exam Funny Box. Do not issue a manual refund. Exam will determine how to freeze the credits and if they want to select it for audit, prior to sending it back for completion of processing. In the case of ID theft they may decide the return should not be processed. Ensure that prints of CC IRPTRO accompany all manual withholding refund requests.**

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required.

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Note: IRPTR begins updating in mid-February with the previous year’s data and shows all withholding types, even CTW.

- If credits have been transferred into the module, check the **from** module for other transactions, such as extensions and payments, that may also need to be transferred.
- Use CC BMFOL and SUMRY to research for any outstanding liability on another tax period or MFT. Compute accrued debit. Adjust refund amount by both the balance due and the accrued interest computation and attach outstanding balance (OBL) documentation.

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- CC RFUND will generate the Bypass Indicator (BPI). Leave that blank and write it in after it’s printed. TOP offsets are made against any refund issued from MFT 02, 03, 07, 10, 13, 34, 43, 44, 46 (Doc Code 88 only),

52, 60, 63, 64, 77, 78 and 79, unless a BPI is systemically generated on the refund or input on a manual refund. TOP offsets are not made against refunds issued from an MFT not listed above.

Exception: OBLs on MFT 13, 74, and 76 will not be made systemically, so credit transfers must be done to satisfy outstanding tax obligations.

Note: BFS automatically reduces the amount of the refund by the Treasury Offset Program (TOP) and Debtor Master File (DMF) offsets, before issuing the refund. IRS obligations are not part of the automated offsets.

- If the account is controlled by another IRS employee, contact them prior to issuing a manual refund. Use CC MESSG to get contact information or IDRS Online Report Service (IORS-IUUD).
- If the literal CEP or LARGE CORP followed by a two-digit SPC indicator shows on TXMOD or BMFOL, contact the Technical Unit at that campus. The initiator must indicate in the remarks area of Form 3753/5792 that the refund (including interest) was approved by the Technical Unit.
- **In Section II, Line 1d of both Form 3753 and Form 5792, notate the**

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Exception: Form 8038-CP and Form 8752 refund returns the threshold

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- For manual refunds on Final short period returns, use the original due date of the return.

- (18) Use IDRS to ensure no other site or employee has issued a duplicate refund (TC 840) or that a refund has not already generated (TC 846). Research for any pending refunds (TC 840 or TC 846). **Be sure to check the other campus's ERINV via CMODE**, if they have the same return in inventory do not issue a manual refund without coordinating with them. Check UPTIN, if the TC 840/846 goes unpostable, the refund was still sent to the taxpayer.

Caution: Read the TXMOD history. If TC 840, F5792 Prep, or F3753 Prep is part of the history, **do not issue a refund**. See your Lead or Manager. **TC 971 AC 664** indicates that a Form 3753 manual refund was sent.

- (19) Certify that the module does not contain a Z freeze (Z- freezes entire account). Obtain written approvals to issue manual refund, for audit trail purposes. An email approving a manual refund on DLN XXXXX-XXX-XXXXX-X should be attached to the manual refund package and notated in the remarks. (Any other taxpayer information would require the use of secure email.)
- If a -L Freeze (AIMS indicator) is present on a prior module, research the account by CC AMDIS using definer A.
 - If the Status Code is greater than 08, but less than 90, research the taxpayer's account on TXMOD for MAAS (MMDDYY) in the history or activity record. This indicates that a quick assessment has been requested and a new liability may be posting.

- If there is an assessment TC 300 (for other than .00) which hasn't posted, contact Exam for the amount of the pending additional liability. Prior to issuing any manual refund, reduce the refund amount by any outstanding liability.
- If there is **no pending assessment, do not contact Exam.**

Note: ERS/Rejects will contact the other areas via email or telephone requesting an email approving the issuance of a manual refund. If no response is received within 2 business days. ERS will continue to process the return without issuing any refund.

If TXMOD shows	Then
C- Freeze	Issue refund
-H Freeze	Issue refund.
-K Freeze	Issue refund only if no open Exam issues and no indication of Scrambled SSN.
N- Freeze	Issue refund.
-R Freeze	Issue refund unless any indication of CI
-S Freeze	Issue refund.
T- Freeze	Issue refund.
-U Freeze	Contact Erroneous Refund Team in Accounting.
X- Freeze	Issue refund. Exception: Do not issue refund if the return is unsigned.
-Z or Z- Freeze (TC 914, TC 916 or TC 918)	Contact Criminal Investigation (CI).

For a complete listing of freeze codes, see Document 6209

Note: If any other freeze codes are present, do not issue a manual refund. Process the return normally, without the CCC O.

- (20) If the Refund Statute Expiration Date (RSED) or Assessment Statute Expiration Date (ASED) has expired or the return is unsigned, do NOT issue a manual refund. The ASED expires three years from the due date of the return or when the return is filed, whichever is later. The RSED expires three years from the due date of the return for prepaid credits, such as withholding. These dates are shown on IDRS. See IRM 25.6.1, Statute of Limitations Processes and Procedures.

- Remove any CCC O unless a manual refund has already been issued and process the return.

- (21) Ensure that CCC O has been entered on the return and on the record. Take corrective actions necessary and continue processing the return. **If there is a previous unreversed TC 840 on the module, hold the return until the new manual refund (TC 840) posts, then continue processing.**
- (22) A copy of the return and prints of the necessary IDRS research must accompany the request for manual refund (Form 5792 or 3753) to the Accounting Function, after Rejects has input CC RFUND using the IAT tool. Check with the Manual Refund Unit for their daily cut off time.

Note: An ERS screen print for the return showing the CCC O must accompany the request to Accounting, or a SCRS print showing the CCC O coding.

1. On the same day, the Accounting Operation will release the refund with CC REFAP.
 2. On the following day, they will associate the case with Form 5147, IDRS Transaction Record.
 3. If the manual refund won't be issued, remove CCC O.
- (23) **All manual refunds must have an open control base established by originating area (ERS/Rejects)** or Accounting will reject them back to the originators. Areas initiating manual refunds, such as **ERS/Rejects** are responsible for monitoring the accounts, with the IAT EMT tool, until the TC 840 has posted. Follow procedures in IRM 3.12.38.5.6.8, Monitoring Manual Refunds. It may take between 2-4 weeks for the TC 840 to post when issued via Form 3753, which is being processed on an expedite cycle.
- CC BMFOL will provide the most up-to-date posted refund information.
 - Monitoring is essential to avoid the issuance of duplicate/erroneous refunds (TC 840 or TC 846).
 - Immediately contact the campus Manual Refund function to determine whether the TC 840 can be stopped.
 - Initiators must research and intercept duplicate refunds by using the IAT NOREF Tool no later than the established cut-off times.
- (24) Prepare Form 5792 to initiate a manual refund for less than \$100 million, input a history item F5792PREP, and open a control base using the ERS/Rejects group number.
- Verify and edit, if necessary, the auto-fill fields.
 - The DLN will not auto-fill because the return hasn't been processed yet. Type in the DLN of return.
 - If the entity portion includes a foreign address, add the ,. after the last letter in the city field and it will appear on the Form 5792.

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taxpayer requests a direct deposit, input history item F3753PREP, and open a control base using the ERS/Rejects group number.

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and another Form 3753.

- Verify and edit, if necessary, the auto-fill fields.
- The DLN will not auto-fill because the return hasn't been processed yet. Type in the DLN of return.

- If the entity portion includes a foreign address, add the „ after the last letter in the city field and it will appear on the Form 3753.

Exam, and referred to CI, via the Funny Boxes, prior to preparing any

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IRM 3.12.38.5.6.2, BMF Review Process for all Manual Refunds \$100 Million or More.

Note: Note: For more information refer to IRM 3.17.79.3.2, Accounting and Data Control - Accounting Refund Transactions and IRM 21.4.4.4, Refund Inquiries - Manual Refunds.

- (26) ELMS course 30914, Manual Refunds must be taken annually by all Submission Processing employees and managers involved in processing manual refunds before February first, even if the course was taken in the previous December. ELMS course 42841, **Monitoring Manual Refunds** must be taken by managers, leads and all employees required to monitor manual refunds.

Caution: Timely completion of all training courses is a requirement. If not, the refund commands will be removed.

- (27) More instructions are contained in the 21.4.4 IRM, Manual Refunds, and the 3.17.79 IRM, Accounting Refund Transactions.

3.12.38.5.6.1
(01-12-2024)
Refund Credit Interest

- (1) Refund Credit Interest is the interest that we owe the taxpayer for not processing the refund timely. It increases the amount of the total refund.

Note: The allowance of interest is authorized only on overpayments. There is no overpayment until the entire tax liability (including any interest, additions to the tax, or additional amount) is satisfied.

- (2) To determine whether the 45 day interest free period has been met on a refund of overpayment, consider these three dates:
- Normal due date
 - Return received date
 - Correspondence Received Date (CRD) if present
- a. To the latest of these three dates, add 42 calendar days. If the refund schedule date (when the refund is certified by Accounting) is not on or before that date, interest must be allowed on the refund. Form 3753 must be processed no later than the 43rd day. Form 5792 must be processed no later than the 42nd day when the 43rd day is a workday. Chapter Three Withholding credits have a 180-day interest free period. See IRM 3.12.38.5.6.5, Form 1120-F- Manual Refunds (Ogden Only, (7) for more information on CTW.
- b. Accounting transmits the authorization to pay the refund to the Bureau of Fiscal Services (BFS) and BFS actually prepares the check and mails it, or processes the direct deposits or Fedwire transfers.

Note: An alert is issued in January of each year issuing the Accelerated Refund Cycle Charts. The accelerated refund cycles are also in the Document 6209.

- (3) COVID-19 Filing Relief Programming was implemented for the following tax returns: MFT 02, 05, 06, 07, 08, 15, 34, 44, 51, 52, 67, 74, 77 and 78 with a Return Due Date (RDD), Extended Return Due Date (XRDD), Disaster Due Date, or Combat Zone Due Date between 04/01/2020 and 07/15/2020. These returns will be treated as timely if received by the postponed due date of 07/

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- (4) Interest may be computed from **other than** the availability date of the overpayment when the original tax return was filed late (IRC 6611(b)(3)), or an unprocessable form (IRC 6611(g)). When information needed to make a return processable is not received, or the reply is incomplete, no interest is allowed. See IRM 20.2.4.4, Delinquent Returns, and IRM 20.2.4.5, unprocessable Returns

- (5) Allowable interest for taxpayers deemed to be “corporations” (See IRM 20.2.4.9) is calculated at the corporate and GATT interest rates. A corporation is any BMF taxable entity having at least one of the following filing requirements:

- Form 990-C, MFT 33 replaced by Form 1120-C for tax year 2006 and later.
- Form 990-T, MFT 34 with Org. code 4 or 5
- Form 1120 series

Note: The Form 941 series, Form 940, and Form 720 refunds fall under the GATT when the entity has corporate tiling requirements. (See IRM 20.2.4.9, Special Credit Interest Rules for Corporations).

Note: Generally, IDRS will set a corporate indicator on TXMOD which is the literal “GATT” for BMF tax modules subject to the corporate and GATT rates.

- (6) ACT/DMI will use the corporate and GATT rates when the rate table “FED - Federal Corporate” is selected. If DMI is unavailable, CC COMPAC (corporate rate) and COMPAG (GATT rate) can be used.

Note: While the IRS approves and supports the use of CC COMPA and ACT/InterestNet to perform manual interest computations, ACT/InterestNet is the preferred interest computational tool. There are few instances when COMPA should be solely used.

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interest is computed at the lower GATT rate.

Caution: Any overpayment in the tax module (excluding credit interest) that was previously offset, refunded or applied as credit elect; count towards the

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- (8) If the entity does not have the above corporate criteria, interest is computed at the non-corporate rate (i.e., DMI/ACT interest table “FED - Federal” or CC COMPA).

Note: If interest is accruing before 01/01/1999, use COMPAC, if interest is accruing on or after 01/01/1999 use COMPA.

- 3.12.38.5.6.2 (02-26-2020) **BMF Review Process for**
- (1) All BMF refund returns, including Black Liquor returns, falling out to ERS/ for Exam to review. The Manual Refund Check sheet will be stapled to the front of the return with the following information from the return:
- TIN
 - MFT
 - TXPD
 - Interest pay date - calculated by taking Julian date of received date, due date, or CRD/RPD (whichever is later) and adding 42 days.
- (2) Prepare a separate F3210 for each refund with the above information and place entire package into the Exam Funny Box in ERS/Rejects for review and SSPND 336. Use Action Code 3, for SCRS refund returns. After the areas have reviewed the return and cleared it, ERS/Rejects can prepare the manual refund. If the return comes back and is stamped "SELECT", issue the manual refund unless otherwise indicated and continue processing the return. Route the return to Exam and re-charge the document to Exam.
- Caution:** Never issue a manual refund unless the box okaying a manual refund is checked. If neither box, okaying the refund or freezing the refund is checked, contact the appropriate area on your contact listing and have them fax you a corrected check sheet.
- (3) If the return is approved for a manual refund on the check sheet, disregard freeze codes on the account. They were taken into account during the review.
- 3.12.38.5.6.3 (09-18-2019) **Form 1042 - Manual Refunds (Ogden Only)**
- (1) All Form 1042 returns (MFT 12) having EINs which begin 98-023XXXX through processed as follows:
- Code return with CCC "O" but do **not** prepare any manual refund for the return. Do **not** open a control base on IDRS. Update IDRS history with "LMSB2REVUE".
 - and provide the taxpayer's EIN and tax period of the return.
 - Continue to process the return as usual.
- same procedures as above.
- (3) All overpayments on Form 1042 don't qualify as Chapter Three Withholding (CTW) and have an interest free period of 45 days.
- 3.12.38.5.6.4 (01-01-2021) **Section 847 Form 1120, 1120-L, and 1120-PC**
- (1) TCJA 2017 requires certain insurance companies to make Special Estimated Tax Payments (SETPs) in the amount equal to the tax benefit derived from the additional deduction permitted under the statute. Returns with Special Estimated Tax Payments require special handling. These returns can be Form 1120, Consolidated Form 1120 (with a subsidiary Form 1120-PC or Form 1120-L attached), Form 1120-L, and/or Form 1120-PC.
- Note:** IRC 847 applies to taxable years beginning before January 1, 2018.

- (2) Section 847 special estimated tax payments (SETP) and Section 847 credits are not available on Master File and must be refunded manually:
 - These payments and credits are consolidated in Ogden’s Accounting Operation and maintained in their 4615 Account.
- (3) Paper Returns, if SETPs are identified, will have an Action Code 342, CCC 6, and “Copies Fwd to LB&I Exam” notated by C&E on the return. Also, a green copy of Form 3809 will be attached to the back of the return. MeF returns should also have AC 342 and CCC 6.
- (4) If there is no AC 342, CCC 6, or “Copies sent to LB&I Exam” and/or no green Form 3809 attached to the back, review the return for SETP indicators as listed below:

Form	Line Numbers
Form 1120 Consolidated with a subsidiary Form 1120-PCor Form 1120-L attached,	Schedule J, Part III, Line 14 (Line 13 for 2017 - 2011). Identified by a notation or statement referring to a Form 8816, and/or SETPs, and/or attached schedule, or Form 8816 is attached. Schedule J, page 1, Line 32b for 2010 and prior revisions.
Form 1120-L	Page 1, Lines 28b and/or 28d, or Form 8816 is attached.
Form 1120-PC	Page 1, Lines 15b and/or 15e, or Form 8816 is attached.

- (5) If SETP returns are identified during the review, TE’s will edit AC 342, CCC 6 and “Copies to LB&I Exam” with the date and give to their Lead.
- (6) Rejects Lead or other assigned individual will photocopy pages 1, 2, and 3 of the Form 1120, and/or Form 1120-PC, and/or Form 1120-L and all Forms 8816.

Note: For a Consolidated Form 1120, also photocopy the subsidiary Form 1120-PC and/or 1120-L or attachment on which the SETPs are identified.

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- (8) Rejects Lead will add a history in TXMOD that the return was sent to LB&I Exam and the return will be held in an appropriately marked bin, such as “Section 847”, with copy of fax acknowledgment or other record of correspondence with LB&I Exam. The bin will be checked daily to ensure returns have been communicated to LB&I and LB&I Exam has responded within 72 hours.
- (9) MeF returns claiming SETP credit can be identified on EUP by checking for Form 8816, and/or AC 342 and CCC 6. If EUP Code & Edit values identify a Section 847 return, tax examiners will notify their Lead.

Note: Consolidated Form 1120 returns with a subsidiary Form 1120-PC or Form 1120-L can claim SETP credits.

- (10) Rejects Lead will e-mail *LB&I EEF Section 847, a listing of identified MeF Section 847 returns with the TIN, MFT, Year, and DLN. They will add a history in TXMOD that the return was sent to LB&I. LB&I Exam will respond within 72 hours. The listing will be kept in the Section 847 bin.
- (11) After the photocopies have been reviewed, LB&I Exam will e-mail Form 3809 “File Copy” to Rejects Lead. They will print the Form 3809 on green paper and attach it to the back of the paper return or the listing for MeF.
- (12) If the Form 3809 shows a \$.00 in the first transaction codes on the debit and credit side, and an explanation that LB&I does not want the money moved, continue processing the return as normal.
- (13) If the Form 3809 has an amount other than \$.00, then hold the return until the TC 700 or TC 820 in the same amount, with a 58 doc code post to the module (two to three cycles). Then follow normal manual refund procedures.

Note: The refund will include the amount transferred from the SETP (4615) Account.

3.12.38.5.6.5
(02-13-2023)
Form 1120-F - Manual Refunds (Ogden Only)

- (1) All 1120-F returns claiming credit on Line 5(i), U.S. income tax paid or withheld at source, on Form 8288-A must be routed back to C&E, for verification of these credits on the International WebApps Application. C&E will attach a credit verification slip, Form 13698, to the return as an indication that the credit has been verified. If the return is MeF, attach credit verification slip, Form 13698, via TC 290 \$.00.

Note: This applies to forms the taxpayers include with their replies. If we correspond for the forms because they are missing, the credits must be verified before processing continues.

- (2) 1120-F returns meeting the following criteria are reviewed by LB&I

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Caution: When working these cases as reply/ no reply, pull the returns for an **additional** LB&I review.

Caution: Ensure that the top left hand margin has LB&I’s edit “CTW reviewed” on all returns meeting this criteria.

- (3) If an ERS examiner feels a return, regardless of the refund amount, should be reviewed and their lead agrees, they will SSPND 440.
- (4) Any 1120-F return meeting the criteria in (2) above, that falls out to ERS and does not have an indication of being reviewed, will be SSPND 440 to Rejects to be routed to LB&I.
 - Hand carry the returns to C&E and place in the LB&I Review Box for review by LB&I.

(5) Take the following actions when 1120-F meets the LB&I review criteria in (2) above:

If type of 1120-F return is	And	Then
Paper or MeF		<ul style="list-style-type: none"> • Give to the lead for Treaty Assistance & Interpretation Team (TAIT) review. • Lead will attach TAIT cover sheet prior to LB&I review.
Paper	No indication that LB&I review has been done,	<ul style="list-style-type: none"> • ERS/Rejects designee will update tracking log per 3.12.5.4.5(8). • Place in LB&I review box.
Paper	“CTW Reviewed” in purple ink at top left margin,	<ul style="list-style-type: none"> • Process as indicated by LB&I. <p>Note: Bypass manual refund if CCC O is present.</p>
Paper	Reply or No Reply	<ul style="list-style-type: none"> • ERS/Rejects designee will update tracking log • Place in LB&I review box. <p>Note: Additional LB&I review is required for replies and no replies.</p>
MeF	Reply or No Reply	<ul style="list-style-type: none"> • SSPND 440 • ERS/Rejects designee will update tracking log and e-mail to specified contacts daily.

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If type of 1120-F return is	And	Then
Paper or MeF	LB&I requests more time to perform review	<ul style="list-style-type: none"> • Resuspend AC 440 • Notify lead or manager <p>Note: Lead or Manager will notify P&A when review time frames exceed 30 days or trends are identified.</p>

- (6) ERS/Rejects designee will follow up with LB&I on any returns still outstanding after the suspense period has expired.
- (7) All returns (paper and MeF) reviewed by LB&I must be logged in the Rejects Tracking Log for 1120F.
 - 1. The log will record date received in Rejects inventory, DLN, EIN, and tax period for each return.
 - 2. Paper returns will be placed in the LB&I review box. ERS/Rejects designee will notate the date the return is received back.
 - 3. The spreadsheet will be e-mailed daily to the designated LB&I contact.
- (8) Only 1120-F returns with indications of review by LB&I, "CTW reviewed" will be allowed to have manual refunds issued, the exception to the review are those refunds that are less than the tolerance. Follow normal manual refund procedures, but ensure that credits for Form 1042-S (or signed Competent Authority letter), Form 8288-A, and/or Form 8805 are calculated using a refund interest-free period of 180 days for interest computations.

Note: If the refund amount requested is based only on CTW, there is no reason to do a manual refund, since it shouldn't be in interest jeopardy.
- (9) After review, LB&I will provide instructions indicating either:
 - "Continue" in the remarks box or spreadsheet will indicate to ERS/Rejects that the return is to be cleared and processing continued as normal. If the return meets the criteria for a manual refund, the refund will be issued.
 - CCC O in the remarks box will indicate to ERS/Rejects that a CCC O should be input to the ERS screen, but no manual refund will be issued.

Note: Instructions for MeF returns will be provided to the ERS/Rejects designee via e-mail.
- (10) Leave documentation from LB&I review attached to return (print and attach e-mail, etc., to MeF return via TC 290 \$.00.

3.12.38.5.6.6
(04-01-2021)
Form 8038-CP Only

Only)

- (1) Form 8038-CP, Return for Credit Payments to Issuers of Qualified Bonds,

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unless the 45 day interest jeopardy period will not be met. Any document in processing for 20 days or more is in interest jeopardy. See IRM 3.12.26, Tax Exempt Bond Error Resolution Procedures.

Review. See IRM 3.12.38.5.6.2, BMF Review Process for all Manual Refunds.

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Note: Check for -L Freeze, and -X Freeze and do not issue a manual refund. Check all Freeze codes.

Caution: DO NOT prepare a manual refund if CCC "O" is edited in green and there is a notation "TEGE - Do Not Refund Credit" or similar written on the document.

- (2) When the Form 8038-CP involves an entity in Part I that is different than the entity in Part II and the box in Part III, Line 26 is checked, issue the manual refund.
- (3) If the Form 8038-CP Part I and Part II entities are the same and a freeze code is present on the account module, contact the respective area for approval prior to issuance of the manual refund.
- (4) Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, certain automatic reductions took place on March 1, 2013. Their required reductions include a reduction to refundable credits under IRC 6431 applicable to certain qualified bonds. As a result, the refundable credit payment is reduced by **5.7%**. This sequestration reduction rate will be applied beginning October 1, 2020 until the end of the fiscal year (September 30, 2030) or intervening Congressional action, as which time the sequestration rate is subject to change.
- (5) If a manual refund is necessary, the credit payment must be recomputed manually to determine the correct reduced refundable amount. The sequestered amount is computed by:
- Reducing Line 22 by 5.7%
 - Prepare the manual refund using the reduced amount (Line 22 - 5.7%). In the remarks section, indicate "credit payment amount is reduced by 5.7% due to sequestration".
 - If credit interest applies, it must be calculated on the reduced credit payment amount on the refund, not the original amount claimed by the filer.

Note: These will require an additional review by the Lead.

- (6) Tax and non-tax obligation offsets do **not** apply if the refund is being issued to a trustee. If Line 26 has an entry, or if the entities on Line 1 and Line 7 are different, do not offset. Use a BPI of 3 to prevent offsets.

Note: In the remarks add "Not subject to TOP offset".

(7) Use a BPI of 0 (allowing offsets) only if a Form 8038-CP, MFT 46, Doc Code of 88 and the following apply:

- The refund is being sent to the issuer of the bond (Lines 1 and 7 are the same entity) **and**,
- Line 26 does not have an entry.

Caution: Offsets are allowed between MFT 46, Doc Code 88 (Form 8038-CP) and BMF MFTs. However, Form 8038-CPs cannot offset to/from other types of Forms 8038 (only to/from 8038-CPs).

3.12.38.5.6.7
(01-01-2016)
Refunds for less than \$1 when requested by taxpayer

(1) Overpayments of less than \$1 are systemically cleared from the module by the posting of a TC 386. If a taxpayer requests a refund of an overpayment of less than \$1, use the following procedures to reverse the TC 386 and force the generation of a systemic refund:

- a. Input a TC 971 action code (AC) 652 using CC REQ77. Refer to IRM 2.4.19, Command Codes REQ77, REM77, and FRM7A.
- b. Enter the transaction date of the TC 386 on line 3 positions 56 - 63, <TRANS-DT>.

(2) The above actions will post a TC 387, reversing the TC 386, and will generate a systemic refund (TC 846).

3.12.38.5.6.8
(01-01-2017)
Monitoring Manual Refunds

(1) After preparing **all** manual refunds, take the following actions to prevent duplicate refunds:

- Establish a new control on IDRS. Use the ERS/Reject's team number followed by the five digits designated for manual refunds.

Note: Each site will designate a unique IDRS number not being used by the Reject team.

- Use M status, activity code WT840, category code MISC, and the current date as the received date.

(2) Print the Manual Refund form, attach necessary documentation and forward the Manual Refund documentation to the technical lead or the designated individual for review.

(3) They will review the manual refund form, the attached documentation, and using the IAT Erroneous Manual Refund Tool (EMT)/Case Monitoring Tool, review the information on IDRS. Utilization of the tool by the technical lead or designated individual will create an active monitoring file for the team. This file is automatically stored in the C drive of their computer.

Note: Ensure the open control has been established prior to sending the refund for review.

(4) After completion of the review, the Manual Refund documentation will be forwarded to the authorized official in ERS/Rejects for review and signature. Refer to IRM 3.17.79.3.5, Employees Authorized to Sign Requests for Refunds.

(5) The documentation will be returned to the TE for the input of CC RFUND.

- (6) **Anytime a manual refund is created within Rejects, the lead, employee, or designated individual will monitor the BMF account weekly until the TC 840 posts, using the EMT Tool.** Use of the Erroneous Manual Refund Tool (EMT)/Case Monitoring Tool is **mandatory** for documenting the monitoring process. If there are **no open manual refunds** within the team (i.e., there are no cases within the active EMT file), the designated reviewer is not required to run the tool weekly.
- (7) During the monitoring process the account should be reviewed thoroughly to prevent erroneous refunds:

If	Then
A TC 846 or a subsequent TC 840 appears after initiating the manual refund due to an input error and a duplicate erroneous refund situation is created,	<ul style="list-style-type: none"> • Contact the area that input the adjustment and request that the adjustment be deleted (DQ'd through CC RVIEW or CC TERUP Input), or • Input CC NOREF to stop the refund (TC 846 or TC 840). Refer to IRM 21.4.1.4.10, Refund Intercept CC NOREF and IRM 21.4.1.4.11, IRS Holds Automated Listing (HAL).
A pending credit transfer without a TC 570,	<ul style="list-style-type: none"> • Contact the area that input the credit transfer and request that the credit transfer be deleted (DQ'd through CC RVIEW or CC TERUP input), or • Input CC NOREF to stop the refund (TC 846 or TC 840). Refer to IRM 21.4.1.4.10, Refund Intercept CC NOREF and IRM 21.4.1.4.11, IRS Holds Automated Listing (HAL).
Unable to stop the refund,	Contact the taxpayer to recover the duplicate refund. See IRM 21.4.5, Erroneous Refunds, for erroneous refund procedures.

- When the Accounting Function processes a Form 3753, Manual Refund Posting Voucher, they input a history item, a control base, and TC 971 AC 664 on the account.

Caution: If a TC 971 AC 664 is on the account and a TC 840 is showing as Rejected (RJ), Unpostable (UP), or Resequencing (RS), **do not prepare another refund.** The refund has been issued.

- (8) When the TC 840 posts, the following actions will be taken:

- The EMT tool will delete the module from the active monitoring screen and will place it in the archived file located on the reviewer’s C drive on their computer. The tool will notate “TC 840 Posted” and “No E/R” if no erroneous refund was issued. This file is maintained for 90 days by the EMT tool.

Note: If the TC 840 has posted but the adjustment transaction associated with the manual refund is still pending, the reviewer will notate “adj pending” and continue monitoring for the adjustment to post. The EMT tool will not move the module from the active monitoring file to the archive file until the adjustment has posted.

Caution: If a record doesn’t get removed from the active file and placed in the archive file, it may be due to incorrect information loaded into the tool, e.g., refund amount or refund date. Once the information is correct on the EMT tool the case record will move to the archive file.

- Indicate if an erroneous refund was issued. If so, notate E/R and corrective actions taken to resolve the erroneous refund, in the EMT Tool.

Note: If a duplicate refund was issued, a Form 14165, Erroneous TC 840/846 Report, must be completed and sent to Accounting. See IRM 21.4.5.4.6, Erroneous TC 840/846 Report.

- Once the module has been moved from the active file to the archive file, as indicated by the posting of the TC 840 and any adjustment transaction, close the control base with the control activity in IDRS to “840 Posted” or “TC840PSTD”.
- Close the control base,

- (9) The Lead, employee or designated individual will export the EMT active case monitoring file each week after they have performed their review (only when there are manual refunds to review). The exported EMT active case file and the EMT archive case file will be sent to the manager/designated individual via encrypted secure email each day.

Note: Refer to the <https://irs.gov.sharepoint.com/sites/IAT> Section 5.1, Exporting Cases, for step-by-step instructions on exporting and emailing the file to the manager.

- (10) **Managerial review of the manual refund monitoring and documentation is required. Managers must complete ALL actions below:**

Note: The person conducting the managerial review cannot be the same person who documented the refund transactions above.

- Import the EMT active file and then the EMT archive file (not at the same time) from the secure email.

Note: Refer to the <https://irs.gov.sharepoint.com/sites/IAT> Section 5.2, Loading Cases, for step-by-step instructions.

- Verify that the designated reviewer has completed the BMF weekly monitoring of manual refunds by initiating the EMT tool and reviewing for the monitored information. The history area for each module will indicate each day the tool was run and the SEID of the person who performed the monitoring.

- **Every week, notate on the Manager's Confirmation Log, Form 14696,** whether the monitoring of manual refunds by the technical lead, employees, or designated individual was performed. Check the Yes box if the review was performed. Check the No box if the review was not performed and provide an explanation in the notes column. If a review was not required provide an explanation in the notes column.

Note: Managers can save Form 14696, Manager's Monitoring Confirmation Log, by individual quarters to minimize the size of the log file. To save the log, print the pages for the quarter as an Adobe PDF file and save.

- **Sign the confirmation log.**
- Keep the Manager's Monitoring Confirmation Log for a period of 90 days. It is up to the individual manager whether the confirmation log is kept electronically or in a print form (for review by upper management or outside auditors, e.g., GAP, TIGTA).
- Complete a 100% review of all accounts each week, through the EMT by accessing IDRS to verify the notations are accurate. The review needs to be both the active file and the archive file.
- Indicate managerial review in the History section of EMT for each case reviewed by clicking on the Edit button. The EMT tool will store the monitoring for a period of 90 days.
- The SP HQ analyst will review the Manager's Monitoring Confirmation Log quarterly.

Note: Note: For more information refer to IRM 3.17.79.3.2, Accounting and Data Control - Accounting Refund Transactions and IRM 21.4.4.4, Refund Inquiries - Manual Refunds.

3.12.38.5.7 (03-05-2024) Credit Transfers

(1) Credit Transfers are performed for various reasons:

- Incorrect tax period
- Incorrect EIN
- Incorrect MFT
- Short period returns

Note: Don't do credit transfers for Outstanding Balances (OBLs) on a manual refund. The system will do the offsets.

(2) Credit Transfers will not be done before the Transaction Code is posted or pending (PN) to the module.

(3) Credit transfers are completed in the Reject/Suspense function depending on local procedures. To hold a credit (prevent credit from refunding or offsetting), enter a Credit Freeze Code 1 on FRM34 (CR-FR>). On DRT24, enter TC 570 as the secondary transaction. Always input TC 570 on the debit side of the transfer.

(4) One type of transfer is completed in accounting, and is as follows:

- Section 847 special estimated tax payments and credits claimed for those payments, on Forms 1120, 1120-L, and 1120-PC. See IRM 3.12.38.5.6.4, Section 847 Form 1120, 1120-L and 1120-PC.

1. Prepare a Form 4227 and attach to the front of the document.

Note: See Document 12990, IRS Records Control Schedules. for retention/ disposition of Form 4227, Intra-SC Reject or Routing Slip.

2. Detach and retain the copy of the return and a copy of the register, if applicable.
 3. If the documents are hand-carried, the receiving control clerk will initial and date the routing slip and return the second copy to Rejects/ Suspense.
- (5) Whenever credits are transferred by the Rejects functions, the use of IAT is mandatory. IAT eliminates the need to hold cases by detecting potential un-postable conditions. See the IAT Credit Transfer Job Aid <https://irs.gov.sharepoint.com/sites/IAT> for specific instructions.

Note: IDRS will be used when IAT is unavailable.

Use of Posting Delay Code

If the Transfer is Doc Code	Then us a Posting Delay Code
24 or 48	1
34	2

(6) The following transfers can be completed by the Reject/Suspense Units:

- Returns received with excess remittance.
- Multiple period returns which require the payment to be split.
- Transfers to Unidentified.
- Returns being posted to a different EIN/SSN, MFT, or Tax Period and the associated payment has already posted to an incorrect module.

Caution: Ensure that all related transactions, such as extensions, are transferred to the same module as the return. Do **not** transfer an extension to file for a final or short year return that ends before the return due date. See Exhibit 3.12.38-28, Credit Transfer.

Note: Never do a credit transfer when a **-B** freeze code is present or if the payment is three years or older (expired RSED).

(7) Once the credit transfer is complete, suspend the return with Action Code (AC) 430. Monitor the account to ensure the credit transfer posts. When the credit transfer posts, continue processing the return.

Note: AC 430 has a 10 day suspense period. You may have to activate the return if the credit transfer posts before the 10 day suspense period.

3.12.38.5.7.1
(01-01-2016)
IDRS Procedures

- (1) IAT must be used for credit transfers. If IAT is not available, then IDRS will be used.
- (2) If the module where the payment is posted is present on IDRS use CC ADD24 / ADD34 / ADD48 to request DRT24 / FRM34 / DRT48 format screen.

Note: To prevent an unpostable and allow the manual refund to post one week earlier, use ADD24 rather than ADD34.

- (3) If the module is not present, it can be created using CC MFREQ or ACTON. CC TXMOD or ACTON must precede CC ADD24 / ADD34 / ADD48 and will generate the tax module into the top half of the DRT24 / FRM34 / DRT48 screen.
 - a. Overlay the top line of TXMOD where the credit is being moved (this will generate into the bottom half of the DRT24 / FRM34 / DRT48 screen) with the MFT, Tax Period, and Name Control.
 - b. If the bottom half of DRT24 / DRT48 / FRM34 is not on IDRS, an indicator must be used.
 - c. Enter the indicator in the first position of the second line on the ADD24 / ADD34 / ADD48 screen.
 - d. Use an "A" when the entity for the bottom half is not present on IDRS.
 - e. Use an "@" when the entity is present but the module is not.
- (4) Use CC ADC24 / ADC34 / ADC48 in place of CC ADD24 / ADD34 / ADD48 when the debit module is not present, but where you are moving the money to is present.

3.12.38.5.8
(01-01-2016)

Deletion of Documents

- (1) This section of the manual lists the procedures that are to be followed for deleting documents. Information in this section includes the following:
 - General procedures
 - ERS suspense procedures
 - Subsidiary Returns
 - End-of-year processing
- (2) **Under no circumstances will BMF ERS/Rejects delete a return** at the request of another business unit. If a return is deemed questionable by another area, input CCC "O" to freeze any refund and continue processing the return. When processing is complete, route the return to the area and recharge the document.

3.12.38.5.8.1
(01-01-2016)

General Procedures

- (1) Any document that cannot be corrected or processed without being re-transcribed can be purged from Reject/Suspense Inventory.
- (2) This type of document generally falls into three categories.
 - a. Re-entry documents - The document will be re-transcribed with the same DLN.
 - b. Voided documents - For further information, IRM 3.12.38.5.20, Voided Documents.
 - c. Renumbered Documents - The document was numbered incorrectly and will be input with a new DLN.
- (3) All deleted documents, except ERS data control deletes, will generate an adjustment to the SCCF.
- (4) In most cases, no further manual adjustment is necessary.
- (5) See the exceptions which require preparation of Form 4028 or Form 4028-A.
- (6) Be sure to preserve an audit trail of deleted documents.

3.12.38.5.8.2
(01-01-2016)
**ERS Suspense
Procedures**

- (1) ERS documents are deleted with CC RJECT or NWDLN.
- (2) A record is generated for the SCCF whenever CC RJECT or NWDLN is used, except for Action Code 660.
- (3) Use CC NWDLN, to remove the old DLN from SCCF and establish the new DLN for the same money amount.
- (4) If a DLN cannot be assigned to a remittance document, enter one of the following literal with CC NWDLN:
 - OTHER - Other miscellaneous general ledger accounts (use only with a prior year DLN).
 - URF - Unidentified File - 4620 Account (use only with current fiscal year DLNs).
 - DEPF -Deposit Fund.
 - EXC - Excess Collection - 6800 Account (use only for prior fiscal year DLNs or document code 48 or 58).
 - SMCR - Small Credit/Debit Write Off.
 - WASH - Washout transaction (use only when both debit and credit sides are being closed).
- (5) Use CC RJECT for non-remittance documents to remove the DLN from the SCCF with Action Code:
 - 620 (use for ANMF/Non-ADP (Automatic Data Processing)
 - 640 (use to Void documents)
 - 650 (use to transship International documents to OSPC)
 - 670 (use for Rejected Missing Documents)

Caution: Never void a return that has had a manual refund issued.

- (6) Use CC RJECT with Action Code 630 (with or without remittance) to place the record in re-entry status on the SCCF.

3.12.38.5.8.3
(01-01-2016)
Subsidiary Returns

- (1) Subsidiary returns are defined as documents that have been detached from the parent return and have been numbered for processing in error.
- (2) Research CC INOLE to see if there is a filing requirement 1120-14 for that EIN.
- (3) If FR 1120-14 appears, the EIN number is for a subsidiary filing.
- (4) Research for the parent EIN.
- (5) If the parent return has posted, cancel the DLN of the subsidiary from the Reject inventory (also, line through the DLN in red) and follow local procedures to attach it to the parent return.
- (6) If the parent return has **not** posted have the DLN cancelled off the Reject inventory to be filed under the cancelled DLN (do not line through the DLN in red.)
- (7) If the filing requirement code 14 is not present, process the return according to, IRM 3.12.251 Error Resolution Corporation Income Tax Returns procedures.

3.12.38.5.8.4
(01-01-2016)

End of Year Processing

- (1) Whenever a record format is changed for SPC or Master File processing, all open records for that type of document must be prevented from being sent to the Master File with the incorrect format.
 - Most BMF returns will be processed through reformat programs (GMF 00 and ERS 00) and established on the same inventory where normal corrections can be completed.
 - Some error and reject register items are immediately purged from the inventory.
- (2) Expedite processing before the end of the calendar year to reduce the number of manual refunds required. The expedite processing should start in November.
- (3) The following instructions apply only to records that are purged during end of the year processing.
- (4) Records that have been reformatted will be corrected using normal procedures for the new processing year.
- (5) Purged register items will print on a special Reject Disposition List.
 - a. Each item on this list must be resolved as if it was still in the controlled inventory.
 - b. All purged items are considered to be in re-entry status on the SCCF.
 - c. The records are no longer part of any error or reject inventory, so the automated controls for renumbered and deleted records cannot be used.
 - d. Be sure to annotate the Reject Disposition List as purged register items are worked.
 - e. Before re-entering an item or issuing correspondence, check the SCCF listing (use CC SCFTR) to ensure the item is still open before corresponding or taking other action.
 - f. Prepare a SCCF adjustment for each purged register item that must be renumbered or voided.
 - g. No SCCF adjustment is required for ERS.
 - h. Use From Code 0, because the record is now part of the SCCF suspense balance, not the reject balance.
 - i. Prepare Form 4028-A for renumbered items.
 - j. Use Form 4028 for records that must be voided.
- (6) ERS records are not removed from the system in the end of year purge.
- (7) The ERS end of year program provides the following:
 - a. ERS error items that cannot be reformatted are automatically suspended with Action Code 630 to close out the error inventory.
 - b. Each Suspense record will contain a Purge Indicator to prevent corrections from being processed.
 - c. Only CC GTREC, SSPND, RJECT, and NWDLN are valid for accessing purged records.
- (8) The Purge Indicator will appear as follows:
 - For CC ERINV the status code is displayed as a four position field with a P in front of the code, such as P221 or P463.
 - For CC GTREC, the literal "PURGED" is displayed immediately after the action code literal.

- (9) As purged ERS records are resolved, enter CC RJECT or NWDLN using normal procedures.

Note: Purged ERS records remain on the SCCF in reject status, so no manual SCCF adjustments should be required.

- (10) Generally, purged items that will be processed with the same DLN should be perfected by following normal procedures for re-entry documents.
- (11) Be sure to mark each Form 3893 with “End of Year”.
- (12) All documents should be edited with red pencil following current-year procedures.
- (13) Overlay with current-year forms or change line numbers in red so that all transcribed lines reflect current-year programs.
- (14) Edited section numbers must also reflect current-year procedures.
- (15) At campus option, documents may be routed to Code and Edit for current year editing.
 - a. All purged items requiring only re-editing must be re-entered.
 - b. Prepare Form 3893 taking care to indicate the proper DLN year.
 - c. Annotate the register and the Purged listing “F3893” and the date.
- (16) Missing documents are processed according to IRM 3.12.38.5.5.1, Missing Documents Guidelines, except items that have already been removed from the rejects file. ERS records are still on the file.
- (17) Items in correspondence should be held until a reply is received, then re-entered.
- (18) If no reply is received after appropriate time, annotate “No Reply” and re-enter.

3.12.38.5.9
(01-01-2016)
Form 4028 / 4028-A

- (1) This section of the manual lists the procedures that are to be followed for preparing Form 4028, Service Center Control File Adjustment Record and Form 4028-A, Service Center Control File Renummer Adjustment Record. Information in this section includes the following:
 - General instructions
 - Preparation of Form 4028
 - Preparation of Form 4028-A

3.12.38.5.9.1
(01-01-2016)
General Instructions

- (1) The SCCF is automatically updated by the correction made on the reject register or ERS records in most cases.
- (2) Prepare Form 4028 whenever the SCCF has not been properly updated by the action on the reject register or ERS record.
 - a. The money must be transferred to a new document while the original return is entered.
 - b. A record was coded as a re-entry that should have been voided.
 - c. A record was coded as a voided that should have been reentered.
 - d. Void an end of year purged register.

- (3) Prepare Form 4028-A whenever the SCCF has not been properly updated for a document that is being renumbered.
 - a. A generated renumbered record was invalid on the SCCF and is resubmitted manually.
 - b. A year end purged register requires renumbering.
 - c. A record was renumbered to the incorrect DLN.
- (4) Check SCCF and ERS 05-40, Error Resolution Rejected Records List or SCF 11-46, CRL Renumbered Transactions to determine the correct SCCF adjustment to be made.

3.12.38.5.9.1.1
(01-01-2016)

- (1) Use the instructions in this section of the IRM to prepare Form 4028.

Preparing Form 4028

Form 4028, Adjustment Record

Title	Input Information
Master File	Check the appropriate Master File. Note: For IRAF use Master File 1.
Adjustment number	Enter an "R" followed by a consecutive serial number.
Name of preparer	Enter your name and stop number,
Date	Enter current date.
Page _ of _	Enter number of pages.
SC or Alpha Block Control Number (ABC)	Enter ABC or other designated control number.
Code	
Adjustment From (From)	Enter appropriate From Code
Adjustment To (TO)	Enter appropriate To code
Re-input Source (SRCE)	Use "R" for a document identified as re-processable on Form 3893. Use "N" for a previously unpostable document. If both apply use "R". Required with From-To code 0-0 only.
Master File	Master File number form Master File box on top of form.
Block DLN	
S.C. or D.O.	Enter appropriate File Location Code
Tax Class-Doc Code	Enter appropriate tax class and document code for document being processed
Julian Date	Enter appropriate Julian Date
Block No.	Enter appropriate block number (will be 000 through 999)
Year	Enter appropriate year digit of DLN
Document Count (Count)	Enter the number of documents being adjusted.
Adjustment Amount	
Credit (CR)	Enter amount of Credit being adjusted.

Title	Input Information
Debit (DR)	Enter amount of Debit being adjusted.
DLN Serial Number (DLN#)	Enter DLN serial number if only one document.
Cr Source Code (CRS)	Enter Control Record Source Code. Use "R" for Rejects and "F" for ERS.
ANMF Abstract Number (ABS#)	No entry is necessary in this column.
Reason for Adjustment	Enter the reason for the SCCF adjustment. Provide an audit trail by entering the Reject Sequence Number for GMF returns.

- (2) If authorized by your Accounting Branch, Form 4028 may be bypassed in favor of direct input of SCCF adjustment using CC SCFAJ.
- (3) Requirements for separate fields on SCFAJ are the same as for Form 4028.
- (4) Enter the adjustment "From" and "To" Code.
- (5) Codes 0-6 have standard meanings which are present in the table below.

FROM CODE	TO CODE	DESCRIPTION
0	0	Raw Data - re-input
1	1	BOB
2	2	Delete
3	3	Error
4	4	Reject and ERS Suspense
5	5	Good Tape
6	6	Unpostables

- When the From Code is 7 or 8, both the From Code and the To Code have special meanings. These codes will only be used by Rejects for exceptional adjustments.
- SCCF adjustments with the standard codes will transfer a balance (count and/or amount) from one status to another.

Example: Code 3-4 will transfer a balance from Error to Rejects and Code 1-5 would transfer a balance from BOBs to good tape.

- (6) The Re-entered Source Code is needed only for establishing new DLNs for documents which have previously been unpostable or reprocessable.
- (7) Use the code with adjustment From-To Code 0-0 only.
 - Use Code "R" for a document identified as a reprocessable on Form 3893. Also, used if a document was both a reprocessable and an unpostable. Rejects will never use "R".
 - Use Code "N" for a document previously in Unpostables.

Note: An unpostable document can be identified by an entry source code “U” to the right of the reject register title or by a Form 3893 prepared in Unpostables.

- (8) Enter code “2” for BMF (Master File being adjusted) the codes are shown in the upper center of Form 4028.
 - (9) The Master Files may be mixed on the same form, unless the Data Control function requests separate forms.
 - (10) Enter the DLN of the document being adjusted. Be sure to enter the correct DLN year digit, even if not shown on the document.
 - (11) Document Count:
 - Enter the number of documents being adjusted.
 - If the adjustment does not affect document count, leave this field blank.
- Example:** If money is being removed from a document that will still be processed with the same DLN, no count is necessary.
- (12) Credit Adjustment: Enter the amount of credit being adjusted.
 - (13) Debit Adjustment: Enter the amount of the debit adjustment. Debit adjustments are valid only for Document Codes 24, 45, 48, 51, 58, and 87.
 - (14) Serial Number: Enter the DLN serial number whenever only one document is being adjusted.
 - (15) Control Record Source Code: Enter “R” for SCRS or “F” for ERS.
 - (16) ANMF Abstract Number: No entry is necessary in this column.
 - (17) Reason for Adjustment: Enter the reason for the SCCF adjustment and enter the reject sequence number to provide an audit trail.
 - (18) If more than one adjustment is being made for the same document, enter brackets around the related adjustments.

3.12.38.5.9.1.2
(01-01-2016)

- (1) Prepare Form 4028-A as shown below.

Preparing Form 4028-A

Form 4028-A, Adjustment Record

Title	Input Information
Master File	Check the appropriate Master File. Note: For IRAF use Master File 1.
Adjustment number	Enter an “R” followed by a consecutive serial number.
Name of preparer	Enter your name and stop number.
Date	Enter current date.
Page _ of _	Enter number of pages.

Title	Input Information
SC or Alpha Block Control Number (ABC)	Enter ABC or other designated control number.
Code	
Adjustment From (From)	Enter appropriate From Code. (The To Code is always a generated 2)
Re-input Source (SRCE)	Use "R" for a document identified as re-processable on Form 3893. Use "N" for nullified or rejected unpostable document.
Master File	Original Master File number form Master File box on top of form.
Original DLN	
S.C. or D.O.	Enter appropriate File Location Code.
Tax Class-Doc Code	Enter appropriate tax class and document code for document being processed.
Julian Date	Enter appropriate Julian Date.
Block No.	Enter appropriate block number (will be 000 through 999).
Year	Enter appropriate year digit of DLN.
Document Count (Count)	Enter the number of documents being adjusted.
Adjustment Amount	
Credit (CR)	Enter amount of Credit being adjusted.
Debit (DR)	Enter amount of Debit being adjusted.
Original Serial Number (SER#)	Enter original DLN serial number if only one document.
Cr Source Code (CRS)	Enter Control Record Source Code. Use "R" for Rejects and "F" for ERS.
New Block DLN	
S.C. or D.O.	Enter appropriate File Location Code.
Tax Class-Doc Code	Enter appropriate tax class and document code for document being processed.
Julian Date	Enter appropriate Julian Date.
Block No.	Enter appropriate block number (will be 000 through 999).
Year	Enter appropriate year digit of DLN.
New Serial Number (NEW#)	Enter the new DLN serial number if only one document.
New Master File (NEWMF)	If Master File of the new DLN is different from the original DLN, enter the new Master File Code.
Remarks	Enter the reason for the SCCF adjustment.

- (2) The To Code is always "2" and is generated.
- (3) Enter the Reentered Source Code if applicable.

- N - Nullified or rejected unpostable
 - R - The document was already a reprocessible return
- (4) Enter the appropriate Master File System Code as shown at the top of the Form.
 - (5) If the Master File of the new DLN is different from the original DLN, enter the new Master File Code.
 - (6) Enter the old block DLN and year digit.
 - (7) If this is a correction to a previous renumber record, be sure to enter the DLN that is on SCCF.
 - (8) Enter the new block DLN and year digit in the designated blocks.
 - (9) Enter the old and new DLN serial number, if only one document.
 - (10) Enter Control Record Source Code "R" for Rejects.

3.12.38.5.10
(01-01-2016)

**Excess Remittances -
Processing Instructions**

- (1) An excess remittance is when the payment received with a return and the amount paid exceeds the amount due for that return, or a payment with a return for which no tax is due.

Exception: A payment which can be regarded as a payment for penalty and/or interest should not be treated as excess remittance.

- (2) Examine the return and any attachments to determine the proper application of the excess remittance.

- If the taxpayer indicates where it is to be applied and all the information is available, follow the taxpayer's instructions.
- If the taxpayer indicates that the money should be transferred to offset Public Debt, prepare a Form 2424 or Form 3809 to the 6400 Account. Refer to IRM 3.17.63, Redesign Revenue Accounting Control System.
- If no indication is present research for any open module in which the excess payment matches the amount of the open balance.
- Research using appropriate CCs.
- Initiate taxpayer contact.

Caution: Before disclosing any tax information, you must be sure you are speaking with the taxpayer or authorized representative. See the Taxpayer Authentication guidelines in IRM 21.1.3.2.3, Required Taxpayer Authentication and IRM 21.1.3.2.4, Additional Taxpayer Authentication. Also, before leaving any messages on a taxpayer's answering machine, review IRM 11.3.2.7.1, Leaving Information on Answering Machines/Voice Mail. Fax procedures contained in IRM 11.3.1.14, Facsimile (FAX), Electronic Facsimile (E-FAX), and IRS Internal Enterprise Electronic Facsimile (EEFAX) Transmission of Tax Information, must be reviewed prior to faxing confidential information to the taxpayer.

- If unsuccessful, no reply received, or the taxpayer indicates no payment was sent, apply the excess remittances to Unidentified using a Form 2424.

- (3) Whenever credits have to be transferred to Unidentified (URF) include the following with the Form 2424:
 - A hard copy of the IMFOL or BMFOL screen showing the credit being transferred must be attached.
 - The remarks section of Form 2424 must indicate why the credit is being directed to URF. An IRM reference only, is not acceptable.
 - The remarks section of Form 2424 must include the payment DLN and the Trace ID.
 - Taxpayer’s letter, copy of the document ordered from Files and other pertinent information regarding the case.
 - Research history sheet indicating the research performed and the results, taxpayer contact and responses along with dates actions are taken.
 - If available, attach a copy of the check. Copies of checks can be printed from the Remittance Transaction Research System (RTR).
- (4) If the excess remittance is to be refunded to the taxpayer, allow the return to post with the excess remittance.
- (5) If the excess remittance is to be applied to a different tax module, enter Computer Condition Code (CCC) “X” to freeze the excess payment from refunding and allow the return to post to the Master File.
- (6) Green Rockered Remittance - Prepare Form 3244 to apply the money to the proper account.
 - Assign a new DLN to the Form 3244 using the proper doc code and blocking series. See IRM 3.12.38.5.13, Assignment of New DLN.
 - Prepared Form 4028, with From - To Codes 0-2 with no count to delete the money from the original DLN and 0 - 0 with a count of one to establish the new DLN.
 - Enter Code “2-R” on the reject register or “RJECT 630” for ERS.
 - If the indicated application of excess credit would result in a balance due for the return being processed (due to a math error or other condition), the return cannot be allowed to post with the excess remittance.
 - If allowed to post, notices would be sent to the taxpayer with incorrect interest and penalty computations. Instead re-enter the return without the excess remittance.

3.12.38.5.11
(01-01-2016)
**Conversion of IMF and
BMF Documents**

- (1) This section of the manual lists the procedures that are to be followed for converting IMF and BMF forms.
- (2) Due to the IMF/BMF realignment of 2002, conversion of returns, from Individual to Business or from Business to Individual, usually involves sending the return to the appropriate campus. Rejects will attach all IDRS prints, used to determine that the form requires conversion, to the return prior to transshipping to the correct Submission Processing Center.

3.12.38.5.11.1
(01-01-2021)
BMF Conversion

- (1) When Form 1040/1040-SR is filed for a deceased taxpayer and information on the return indicates that Form 1041 should be filed,

- Correspond with the taxpayer's personal representative requesting that a Form 1041 be filed.
- If no reply is received, process the return as a Form 1041.
- Have Entity assign an EIN, if needed.

(2) If Form 1040, or 1040-SR is to be converted to Form 1041, verify that:

- The return is for deceased taxpayer(s) only.
- If filing status box 2, 3, or 5 is checked, both taxpayers must be deceased.
- The taxpayer's date of death must be prior to the tax period of the return.
- The Form 1040 return is signed
- The total income on Form 1040 and Form 1040-SR is more than

#

they have to file Form 1041. Do not convert.

(3) To convert the Form 1040 and applicable Schedules to Form 1041 See IRM 3.11.14, Returns and Documents Analysis, Income Tax Returns for Estates and Trusts (Forms 1041, 1041-QFT, and 1041-N), for complete instructions.

Note: Form 1040-NR with Estate, Fiduciary or Trust in the name line or with an EIN will be transshipped to KCSPC for ANMF processing.

(4) If the IMF return is correctly converted, the SME or Lead in Rejects will prepare a Letter 3801-C to be sent.

(5) If the IMF return is converted to BMF in error, Rejects will:

- Cancel and line through the DLN.
- Forward the EIN information to Entity to be cancelled, if applicable.
- Complete Form 13765, IMF Return Transshipped in Error, to indicate why the return should be processed as IMF and attach to the front of **each** return being transshipped.
- Attach Form 13538, Consolidated Shipping Transmittal, and the entire **batch** of returns being transshipped. Mark the box for the appropriate receiving site. Edit "TR-XSPC" (X equals the sending site), in the remarks field, and place the box in outgoing mail.

(6) Rejects will be instructed to convert various BMF documents to other tax classes, doc codes and MFTs.

- Prepare the appropriate cover sheet and/or document that the document will be converted to.
- Edit appropriate coding and tax data, in red, to the newly prepared document.
- Circle the incorrect form number, in red, and notate the correct form number.

3.12.38.5.11.2
(01-01-2016)
EPMF Returns

(1) Refer to IRM 3.10.72, Receiving, Extracting, and Sorting, for routing Form 5330.

3.12.38.5.12
(01-01-2016)
Renumbering Documents

- (1) This section of the manual lists the procedures that are to be followed for re-numbering documents. Information in this section includes the following:
- General requirements
 - Trace ID requirements
 - Assignment of the new DLN
 - Remittance renumbering procedures
 - Non-remittance renumbering procedures
 - Non-Master File items

3.12.38.5.12.1
(01-01-2016)
Trace ID Requirements

- (1) As of January 1, 2008, all payments are assigned a Trace Identification (ID) Number for tracking purposes. Every Deposit is assigned a Trace ID, which is also assigned to each payment within that deposit. This data is entered into the Custodial Detail Data Base (CDDDB). The CDDDB is used for balancing receipts by IRS and BFS. It is used for payment tracers.
- (2) Each Deposit Ticket is assigned a Trace ID Number in the following format:

Parts	Characters	Definition
Site ID	NN	FLC
System ID	NN	Identified deposit method
Deposit Date	YYYYDDD	Julian Date of deposit
Sequence Number	NNN	Deposit Sequence

- (3) The last six digits are the Transaction Sequence Number for each payment.
- (4) If the original document is not available, use the Remittance Transaction Research (RTR) system to locate the correct Trace ID for each payment being renumbered for re-entry.
- (5) Every remittance must have a Trace ID, which must be transcribed. When creating a new document (or recreating a document) containing credit money, the Trace ID must be annotated at the bottom of the new form.

Reminder: Debit money can also require Trace ID data when moving money or doing wash outs. (Wash outs are canceling each other out).

- (6) Different Trace IDs can be put on the same 813. Input the 20-digit Trace ID next to each amount and leave the Trace ID box at the bottom of the form blank.

3.12.38.5.12.2
(01-01-2016)
General Requirements

- (1) Documents require renumbering whenever the tax class, document code, or blocking series must be changed.

Note: The correct filing location codes (FLC) must be used on any returns with U.S. Possessions/Territories and or foreign addresses.

Reminder: If the AC 610 or 640 was assigned in error, input all the fields as needed.

- (2) Documents must be renumbered whenever they have been processed to the wrong Master File or require processing to the Non Master File.
- (3) The original document can be renumbered and processed in most cases. However, a new document may be required, or money transferred to a new document and/or the document re-input as a non-remittance.
- (4) Modernized e-file (MeF) returns will need a dummy return for processing. Generate a print of the return from the Employee User Portal (EUP) or TRDBV and ensure all attached forms and schedules are printed from the screen. As the return is now a paper document, it **will not** be numbered as electronic. The new DLN will be for a paper return.

Reminder: Enter the received date shown on TRDB, on returns filed via MeF.

- (5) Sort documents by refund and non-refund status.
- (6) Make sure all corrections and editorial marks are red (non-SCRIPS) or green (SCRIPS).
- (7) Be sure the correct transaction date (received date) is properly edited.

Note: Enter the received date shown on TRDB on returns filed via MeF.

- (8) Renumber non-revenue receipt documents to current year revenue receipt document codes using Form 4028.
- (9) If necessary, a current year non-revenue receipt document may be renumbered to a prior fiscal year date revenue receipt document code.
- (10) In addition, never renumber a current fiscal year revenue receipt document to a non-revenue receipt document code.
- (11) Entity Unpostables will route Unpostable Code (UPC) 310, Reason Code (RC) 3 to the Rejects area.
 - These returns occur when the taxpayer has filed a Form 1120 instead of a Form 1120-S.
 - Entity Unpostables has already corresponded with the taxpayer with no response.
 - These forms need to “overlay” the first page of Form 1120 to a Form 1120-S format.
- (12) Edit international returns with the Foreign Country Codes. See Document 7475 State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries.
- (13) Line through the DLN and assign a new DLN by using CC NWDLN.

3.12.38.5.12.3
(01-01-2016)
CC NWDLN

- (1) The SCCF must be changed to remove the old DLN and establish the NEW DLN anytime a document is renumbered.
- (2) Documents can be renumbered without a manually prepared SCCF adjustment.
- (3) A manual SCCF adjustment is required if the renumber action is not a straight one-for-one transaction. Some examples which require an adjustment are:

- Remittance must be moved to a separate document, while the return is re-input.
 - Remittance must be split into two or more transactions.
 - Money is applied to the Unidentified Remittance File, while the return is re-input.
 - SCRS document requires renumbering as part of the year end purge.
- (4) The Rejects (or ERS) function will assign all new DLNs for the following documents:
- Remittance returns
 - RPS returns and payments
 - Non-remittance returns
 - Revenue Receipt documents (Document Codes 17, 18, 19, 20, 24, 87)
 - Pre-journalized non-revenue receipt documents (Document Codes 45, 48, 51, 58)
 - Coordinate any renumbered Document Code 51s with the Accounting Operation.
 - Form 3244, Payment Posting Voucher, prepared to apply remittances from other documents.
- (5) When renumbering revenue receipt documents, be sure that the received date and Trace ID are present on the document.
- (6) If the received date is not stamped on the face of the document, if it is illegible, or if it is invalid, follow the instructions below, in the order listed, to determine the received date:
- a. The earliest legible post mark (for example, U.S. Postal Service, foreign, or Private Delivery Service) on the envelope. Rules for using the U.S. Postal Service (USPS), foreign, Private Delivery Service (PDS) and private metered postmarks are as follows:

Note: For certified mail only, if a postmark is not present, look for the “usps.com record” that has been attached to the correspondence right before the envelope. Use the “Acceptance” date.

If	Then
The envelope contains only a USPS, foreign, or PDS postmark,	Use the USPS, foreign, or PDS postmark
The envelope contains both a USPS, foreign, or PDS and private metered postmark,	Always use the USPS, foreign, or PDS postmark.
The envelope has only two private metered postmarks,	Always use the latest private metered postmark.
The envelope has only one private metered postmark,	Use the private metered postmark.

- b. Service Center Automated Mail Processing System (SCAMPS) digital dates.
- c. The Revenue Officer’s signature date.
- d. The Taxpayer signature date (if in the processing year/quarter, as applicable).
- e. The Julian Control date in the DLN minus 10 days.

- f. The current date minus 10 days.

Note: Enter the received date shown on TRDB for returns filed via MeF.

- (7) Any non-remittance document that was prepared in the campus should be voided and returned to the originator. The originator will determine if a new DLN should be assigned.

- (8) Enter the new DLN on the record as follows:

- For ERS, use CC NWDLN. Use Action Code 610 for non-remittance or 611 for remittance documents.

Example: NWDLN 610 17141-001-10800-7
NWDLN 611 17217-001-00100-7

- For reject register, use Action Code 2-N and enter the new 14-digit DLN above the old DLN without hyphens.
- If the new DLN is for a different Master File, enter a hyphen after the DLN on the register followed by the New Master File Code.

3.12.38.5.13
(01-01-2025)

Assignment of New DLN

- (1) Use BBTS or maintain a numbering log to ensure that no number is assigned twice.
- (2) Assign separate block DLNs for remittance and non-remittance documents.
- (3) The DLN is a 14-digit number assigned to every document input to the ADP system that affects a taxpayer’s account. The DLN is used for controlling, identifying, and locating a document. The table below identifies the components of a DLN.

File Location Code	Tax Class	Document Code	Julian Date	Blocking Series	Serial Number	Year
79	2	44	072	550	02	5

- (4) Stamp the new DLN on each document being numbered.
- (5) Line through the original DLN in red. Circle out unnecessary Action Codes.
- (6) Use the designated DLN color if available:

DLN Color Code	Year Digit
Green	5 or 0
Purple	1 or 6
Red	2 or 7
Black	3 or 8
Blue	4 or 9

3.12.38.5.13.1
(08-22-2024)
DLN Format

- (1) Positions 1 and 2 - File Location Code. Use the assigned Submission Processing Center codes unless all available block numbers have been utilized.
- If so, the Area Office codes should be used.
 - For ANMF, use the Area Office codes.

Submission Processing Center	BMF File Location Codes (Paper Returns)	BMF File Location Codes (SCRIPS Returns)	BMF File Location Codes (Electronic Returns)
Kansas City Submission Processing Center (KCSPC)	09, 41, 45, 46	36, 39, 41, 43	70, 79
Ogden Submission Processing Center (OSPC)	29, 81, 83, 84, 85, 99 Note: Beginning in PY2012 MeF Form 1120 will be renumbered using FLC 91 with a blocking of 900-999 and MeF Form 1120-S will be renumbered using FLC 91 with blocking of 960-978.	84, 86, 91,94	88, 92, 93 Caution: Do not use for renumbering.
Ogden Submission Processing Center(OSPC) Foreign Returns	78 (U.S. Possessions and/or Territories) and 60 (All other foreign returns)	78 (U.S. Possessions and/or Territories) and 60 (All other foreign returns)	78 (U.S. Possessions and/or Territories) and 60 (All other foreign returns)

- (2) The File Location Codes restricted to Electronic filing above should not be used when assigning DLNs in ERS/Rejects. See Document 6209, Section 4.

Note: See instructions above, for renumbering MeF Form 1120 and Form 1120-S.

- (3) Position 3 - Tax Class - Identifies the type of tax (also, see the following):

- 0 = EPMF
- 1 = Withholding FICA
- 2 = Individual Income Tax
- 3 = Corporate Income Tax
- 4 = Excise Tax
- 5 = Estate and Gift Tax (all IRP)
- 6 = Non Master File
- 7 = Railroad Retirement
- 8 = Unemployment Tax
- 9 = BMF Miscellaneous

- (4) Positions 4 and 5 - Document Code -The document codes frequently used are as follows:

- 17 = Subsequent payment input by SPC

- 18 = Subsequent payment input by Area Office
- 47 = Examination Adjustment
- 51 = Prompt / Manual / Quick - Assessments
- 52 = Account Transfer-In
- 54 = DP Adjustment
- 63 = Entity Changes
- 77 = Form 3177

(5) Positions 6, 7, and 8 - Julian Date.

- Campuses will renumber using the same Julian date and year digit as the original DLN with the appropriate blocking series designated by the Receipt and Control Operation and Accounting.
- Coordinate with Receipt and Control Operation and Accounting to determine if specific Julian dates are used in your campus for revenue and non-revenue receipts.

If renumbering	Then
Remittance documents,	Prepare Form 813.
Non-remittance documents,	Prepare Form 1332.
Non-Master File KCSPC only,	Prepare a Form 813 or Form 1332 and a batch folder.

(6) Positions 9, 10, and 11 - Blocking Series - the blocking series is assigned sequentially beginning with 000 for each document code and continuing with the Julian date, except for the following:

- Non Master File payments must contain the “true tax class” in position 9. The equivalent BMF tax class must be entered in position 9, since position 3 is always a 6.

(7) If all available blocks have been used, number with a different File Location Code and start again with the lowest block number.

(8) Positions 12 and 13 - Serial Number:

- Number sequentially beginning with 00,
- Up to 100 documents may be blocked together

(9) Position 14 - Year Digit - Enter the year for all prior year DLNs or if the designated DLN color is not available.

3.12.38.5.14
(01-01-2016)
**Remittance
Renumbering
Procedures**

(1) Prepare Form 813 for each block of renumbered remittance document.

1. Enter the first 11 digits of the new DLN. Verify that the DLN entered on the document and register are the same and that the new DLN is accurate.
2. Enter the year digit of the new DLN.
3. Enter the current date. For estimated payments with Document Code 20 or 61, enter the received date that appears on the first document of the block.
4. If Tax Class 2 notate Master File code on Form 813.
5. Enter the Block Header Transaction Code, if applicable.

6. Enter "Renumbered Rejects" so that the new SCCF record will not be prepared from this form.
7. Enter the primary amount from the document.
8. An entry of .00 for non pre-journalized documents is considered an amount.
9. Enter the secondary amount in brackets and the credit adjustment as an increase or decrease.
10. Circle the printed serial number to indicate the number of documents in the block.
11. Add the primary amounts and enter the total credit or debit.
12. Add the secondary amounts in brackets and credit adjustment amounts as increases or decreases.
13. Enter initials.

Note: Each payment listed on the Form 813 must have the Trace ID Number listed to the right of the money amount. See IRM 3.12.38.5.12.1, Trace ID Requirements.

- (2) Place the block of remittance documents in a folder for release after the new DLNs have been verified.
 - Include original document, new SCRS Documents and 4028 if applicable.
 - Enter the program code on the outside of the folder.
 - Control function will release the register for Submission Processing input.

3.12.38.5.14.1
(01-01-2016)
Split Remittance Items

- (1) A split remittance is one payment received with a return/voucher and is for more than one return and/or document and/or for more than one tax period.
- (2) If part of the payment must be processed to a different module or with a new document (multiple period return):
 - a. Prepare Form 3244 to process the split remittance or prepare new return(s) if more than one tax period is covered and the taxpayer has furnished sufficient information.
 - b. Remittance documents prepared by the Reject function bypass Code and Edit, so use a red (green for Forms 941 and 940) pencil to edit the document.
 - c. Notate "Extracted from DLN" with the original DLN at the bottom of the newly prepared return or under remarks on Form 3244.
 - d. Notate the 20-digit Trace ID on every remittance document.
 - e. On the original document, circle out the "green money" in red and re-enter in green the amount to remain on the document.
 - f. Green rocker the extracted amount on the new document or on the Form 3244.
 - g. Use the information below to prepare Form 3244.

Form 3244, Payment Posting Vouchers

Box Title	Input Information
DLN	Enter the first 8 digits and year digit of the new DLN.
SSN/EIN	Enter the TIN

Box Title	Input Information
Form number/MFT	Enter the form number and MFT of the document where the money will be posted.
Tax Period	Enter the tax period where the money will post.
Plan/Rpt Number	Enter the Plan/Report Number, if applicable.
Transaction/Received date	Enter the Received date from the document. (Use the current date if no received date is available).
Taxpayer name, address, and ZIP code	Enter the taxpayers name and address. Underline the name control in red.
Remarks	Enter information as needed; for example, Extracted from DLN, Return in Statutes, etc.
Trace ID Number	Enter Trace ID number
Prepared by	Enter your name and unit number.
Secondary Transaction data	Enter the BLANK to establish a -R freeze or to bypass an unpostable condition.
Transaction Data	Enter money amount, in dollars and cents, under applicable transaction code in red.
Total Payment	Enter the total payment amount of all transaction codes used. Green rocker the remittance money amount.

h. The total of the money remaining on the original document and of the money extracted must match the money on the register or on the Form 8161.

(3) Assign a DLN to the new return(s) or Form 3244.

- Prepare Form 813 and attach to the new document(s).
- Prepare Form 4028, using To - From Code 0 - 2 with no count to delete the money from the original DLN and To - From 0 - 0 to establish the new DLN.

(4) 2-R the register or use Action Code "630" on the **ERS** record and attach Form 3893 to re-input the original return, showing the new "green rocker" money amount in the credit box.

3.12.38.5.14.2
(01-01-2016)

**Removal of Total
Remittance Items**

(1) If the entire remittance amount must be removed from the original return, prepare a Form 3244 or a new document(s) to post the money to the correct account.

- Line through the DLN, in red, on original return if the return will be re-numbered.
- Also, circle out the "green money" in red. Green rocker the extracted amount on the newly prepared return or Form 3244.
- Notate "Extracted from DLN" at the bottom of the newly prepared return or in the Remarks on Form 3244.
- Notate the Trace ID Number at the bottom of the new return or Form 3244.

- (2) Assign a DLN to the newly prepared return or Form 3244.
 - Prepare Form 813 and attach to new document(s).
 - Attach Form 4227 to original return and route to be numbered as a non-remittance document, per local campus procedures. If the original return does not require processing, route to the appropriate campus function.
 - If remittance needs to be sent to URF, follow procedures in IRM 3.12.38.5.20.3, Transfers to Unidentified.

3.12.38.5.14.3
(01-01-2016)
Consolidated Items

- (1) Multiple returns filed for the same tax period by the same taxpayer may be consolidated by combining all the liability on one return.
 - Remittance returns may be consolidated if they are in the same block.
 - Combine all the information on the return with red pencil and transfer all remittance to the return that will be processed.
 - Code all registers with 2-R or RJECT 630 for ERS.
 - Prepare a Form 4028 with a From -To Code of 0 - 2 and a total count of the documents that will not be processed.
 - After verification of re-entry, release the Form 4028 and document.
 - Non-remittance returns are processed by correcting the return and the register or by using IDRS to combine liability.
 - Code the other registers 2-D or 640 for ERS.
- (2) Notate on all returns the DLN of the consolidated returns.

3.12.38.5.15
(01-01-2016)
Non-Remittance Renumbering Procedures

- (1) All non-remittance returns that require new DLNs are renumbered by Rejects.
- (2) Prepare Form 1332 for blocking the renumbered documents.

3.12.38.5.16
(01-01-2020)
Non Master File Items

- (1) The Automated Non-Master File (ANMF) is an automated system developed to replace the previous NMF accounting system.
- (2) All ANMF processing is centralized in the Kansas City Submission Processing Center (KCSPC).

Note: Ogden Submission Processing Center (OSPC) will transfer ANMF payments following procedures in (11) and (12) below.

- (3) Users should be familiar with INFORMIX SQL Perform Commands. Each user of the system will have a unique profile which displays only those options for which that individual has authority to access. ANMF has one MAIN menu.
- (4) All work subsequent to the loading of existing ANMF accounts will be received in blocks.
- (5) Each block will have an associated Form 813, Document Register, which is entered into the ANMF system. Form 813 must be established on ANMF. For integrity purposes, Form 813 cannot be input to the system by the same Function entering the transactions. This includes information only transactions such as TCs 520; 470 etc.

- (6) The ANMF System will not accept an account which duplicates an existing Primary Key (TIN, MFT and period ending). If this occurs, a “Dummy” tax period ending (for example, 2003) must be used when establishing the account.

Note: See IRM 3.17.46, Automated Non-Master File Accounting, for further information.

- (7) If the return was processed as RPS, research IDRS to determine if the payment has posted.
- If the payment has posted, prepare Form 3809 to have the payment transferred to ANMF.
 - If the payment has unposted, use CC UPDIS to notify Unpostables of where to apply the payment.
- (8) Use normal procedures for entering the new ANMF DLN on the record.
- Enter 2-N for reject register for renumbering from Master File to Non Master File.
 - For ERS, enter “NWDLN 620” (or 610 for non-remit) followed by the ANMF DLN with hyphens.
 - Always use the original Julian date and correct district office code for renumbering to ANMF.
- (9) Potential “Tax Straddle” Returns (Form 6781 attached) will be hand-carried to Examination.
- Returns identified by Examination as True Tax Straddles will be renumbered to ANMF.
 - Returns that are not Tax Straddle will be processed to Master File.
 - If received with remittance, prepare Form 3244 and assign Document Code 17 to apply the money to the correct Master File account with TC 670 and secondary TC 570.
 - Enter NWDLN 620 or 2-N.
 - Attach a copy of Form 3244 to the return.
 - If non-remittance, void with RJECT 620 or 2-D.
- (10) ANMF items other than payments may be renumbered directly, without preparing Form 4338.
- (11) ERS Non-Master File (**OSPC only**)
- When a Revenue Receipt payment needs to process as ANMF, obtain a ANMF transcript. If the ANMF system is not available in Rejects obtain the transcript from Accounting. RJECT 630 the document and prepare Form 4028 with a 0 - 2 to the “4900 Account”.
- (12) SCRS Non-Master File (**Ogden Submission Processing Center (OSPC) only**)
- When green rocker money needs to process as ANMF, obtain a ANMF transcript. If the ANMF system is not available in Rejects obtain the transcript from Accounting. Enter 2-R on the register and prepare Form 4028 with a 0-2 to the “4900 Account”. Process original return per specific IRM

Note: If green rocker money is from Form 4720, Part II-A, the ANMF transcript may not be available until the previously sent Form 4720 is processed at Kansas City Submission Processing Center (KCSPC) as ANMF. In this case, notate in the remarks area of the Form 3244 “Form 4720 previously sent”, also, attach a copy of the Form 4720. Process the original Form 4720 per IRM 3.11.12, Exempt Organization Returns.

3.12.38.5.16.1
(01-01-2016)
ANMF Subsequent and Advance Payment Items

- (1) Prepare Form 4338, Information or Certified Transcript Request, to request a ANMF transcript and route to Accounting Activity (AA) or Compliance (Criminal Investigation (CI)) dependent on local or national agreement. Be sure to indicate the Area office, not the SPC code.
- (2) Note reject register or ERS charge-out to indicate Form 4338 prepared and date. File register and document in suspense file.
- (3) Receive Form 4338 back from AA or CI and pull suspense. Form 4338 with a ANMF transcript attached indicates ANMF account accessible. Destroy the Form 4338. Attach the ANMF transcript to reject case and transfer to ANMF.
- (4) Form 4338 with a “No Record” ANMF transcript indicates ANMF account non-assessable and must be noted on the form by AA or CI. Process as follows:
 - Attach Form 4338 to reject case.
 - Determine date when item will be 30 days old from reject date.
 - Note this date on reject register and file case in a suspense file.
 - Pull suspended case on the suspended date.
 - Detach Form 4338, note on top margin “2nd Request”, re-date, line through AA or CI initial response and forward to AA or CI. Note register and suspense case.
 - Upon receipt of Form 4338 with a ANMF transcript follow normal renumbering procedures.
 - Upon receipt of form with a “No Record” ANMF transcript, follow procedures to transfer to the Unidentified Remittance File.

3.12.38.5.17
(01-01-2016)
Re-entry Documents

- (1) This section of the manual lists the procedures that are to be followed for re-entry documents. Information in this section includes the following:
 - Conditions for re-entry
 - Preparation of documents for re-entry
 - Preparation of Form 3893

3.12.38.5.17.1
(01-01-2016)
Conditions for Re-Entry

- (1) Re-enter all documents in which the record cannot be corrected due to limitations in existing computer programs. These uncorrectable conditions include:
 - DLN transcribed wrong on record
 - Transaction amount transcribed incorrectly or is missing
 - Transaction Code or MFT is missing or incorrect in the block header
 - Non-ERS documents identified by Data Control for deletion from the reject inventory
 - Year-end purge
- (2) Enter Action Code 2-R on the register or CC RJECT 630.

- (3) Ensure that the received date is present for each document to be re-entered. If the received date is not stamped on the face of the document, if it is illegible or if it is invalid, follow the instructions below, in the listed priority, to determine the received date:
 - a. The earliest legible post mark (for example, U.S. Postal Service, foreign, or Private Delivery Service) on the envelope. Rules for using the U.S. Postal Service (USPS), foreign, Private Delivery Service (PDS) and private metered postmarks are as follows:

Note: For certified mail only, if a postmark is not present, look for the “usps.com record” that has been attached to the correspondence right before the envelope. Use the “Acceptance” date.

If	Then
The envelope contains only a USPS, foreign, or PDS postmark,	Use the USPS, foreign, or PDS postmark
The envelope contains both a USPS, foreign, or PDS and private metered postmark,	Always use the USPS, foreign, or PDS postmark.
The envelope has only two private metered postmarks,	Always use the latest private metered postmark.
The envelope has only one private metered postmark,	Use the private metered postmark.

- b. Service Center Automated Mail Processing System (SCAMPS) digital date.
- c. The Revenue Officer’s signature date.
- d. The Taxpayer signature date (if in the processing year/quarter, as applicable).
- e. The Julian Control date in the DLN minus 10 days.
- f. The current date minus 10 days.

Note: Enter the received date shown on TRDB for returns filed via MeF.

- (4) Special handling might be required if the received date of the return indicates that the statute is about to expire.

3.12.38.5.17.1.1
(01-01-2016)
**Preparing Documents
for Re-entry**

- (1) When a document is re-entered, it will be processed as an original entry document and sent back through the pipeline functions.
- (2) Therefore, all previous edit markings must be correct for current processing. Circle out unnecessary Action Codes.
- (3) When a re-input document contains a Computer Condition Code (CCC) O indicating a manual refund has been issued, or the Form 3753 or Form 5792 is attached, research IDRS to see if a TC 840 or pending TC 840 is posted to the tax module, with the following exceptions:
 - If the CCC O is not edited in red, do not reissue a manual refund or research for a TC 840 on IDRS. Look at the history for an indication that the account is to be frozen, if unsure take the return to your manager or lead.

- If a TC 840 has posted or the module contains a pending TC 840, allow the Computer Condition Code (CCC) O to remain on the return. Prepare Form 3893 and re-enter the document.
- If a TC 840 has not posted or there is no pending TC 840 on the module, reissue the manual refund. Hold the document until a pending TC 840 appears on the module. Prepare Form 3893 and re-enter the document.

Caution: Do not issue a manual refund if the TXMOD history indicates either a systemic or manual refund has been issued, e.g., F3753PREP, F5792PREP, TC 840 or TC 846. Take the return to your manager or lead. Also, look for a TC 971 AC 664, which indicates that a Form 3753 manual refund has been sent.

3.12.38.5.17.1.2
(01-01-2016)
Preparing Form 3893

- (1) Form 3893 is prepared for a re-entry in block or portion of a re-entry block. Attach it to the first document in the re-entry block. Do not detach the form when processing unless a previously re-entered document is being re-entered again.
- (2) If a single previously re-entry document is being input again, attach the new Form 3893 to the front of the document and the previously processed Form 3893 to the back of the document.
- (3) When multiple documents within the same block are being input again, attach the new Form 3893 to the document with the lowest serial number.
- (4) On subsequent serial numbers, attach previously processed Form 3893 to the back of each document.
- (5) Do not attempt to re-enter an RPS payment with return after the return has posted. The payment DLN is invalid for input, prepare Form 3244 and process.
- (6) Follow the instructions in (7) through (26) when preparing Form 3893.
- (7) File Type - Check appropriate box.
- (8) Box 1 - Alpha/Numeric Block Control Number.
 - Leave blank if routing to Batching in the Receipt and Control Branch.
- (9) Box 2 - Document Locator Number.
 - Enter the 11-digit Block DLN. The complete DLN may be entered, but only the first 11 digits will be transcribed into the Block Header.
- (10) Box 3 - Batch Number.
 - The batch number will be entered by Batching in the Receipt and Control Branch.
- (11) Box 4 - Document Count.
 - Enter the number of documents attached to Form 3893.
- (12) Box 5 - Credit Amount.
 - Enter the amount of the credit transaction. If more than one document, enter the sum of the credit amounts.

- If present, enter the total of the Primary and Tertiary amount. Amounts may be from remittance returns, payment transactions, transfer documents, or adjustments.

(13) Box 6 - Debit Amount.

- Enter the total amount of the debits. This box must be blank if a credit amount is present
- Debit amounts may be present only with Document Codes 24, 45, 48, 51, 54, 58, and 87.

(14) Box 7 - Transaction Code.

- Enter only when Block Header Transaction Code is required.

Document Code	Transaction Code on Document	Transaction Code in Block Header
45	840	840
53	090-092	090
51, 52	Transfer-In	370
30	984, 986	984, 986
80	000, 012, 013, 014, 016	000, 010
81	000, 016	000, 016

(15) For IRP, enter the Account Type Code followed by the Record Identification Code (F or G) followed by the Payer Count.

(16) Box 8 - Transaction Date.

- The transaction date must be edited onto the actual document for it to be transcribed.

Note: Use the received date shown on TRDB for returns filed via MeF.

(17) Box 9 - Header MFT Code.

- Enter only when required.

Document Code	Document MFT	Header MFT
17, 18, 19, 24, 34, 45, 47 48, 51, 52, 54, 58, 87	05, 06, 16	05, 06
Form 1096	69	69

(18) Box 10 - Secondary Amount.

- Enter the secondary transaction amount when required. If you fail to enter the secondary money amount on the Form 3893, but the amount is edited on the document, there will be a block out of balance condition.
 - Place Dr. or Cr. for the Secondary Amount- Entry in the secondary amount is valid for all Document Codes except 51 and 52.
- (19) Box 11 - Re-entry Source Code. Mark one box as indicated.
- Mark "R" for Reprocessable if the transaction has already posted to the Master File. Also, complete box 19. **Rejects will never use "R"**.
 - Mark "N" for Nullified if the re-input document was previously an un-postable. Also, complete box 18.
 - Mark "4" for re-input if the document has not posted or unposted at the Master File. Also, complete box 18.
- (20) Box 12 - DLN Year Digit.
- This box must be entered. Enter the 14th digit of the DLN from the source document. If the year digit is not shown on the document, determine the correct year from the assigned DLN color. See IRM 3.12.38.5.13, Assignment of New DLN.
- (21) Box 14 - Remarks.
- Enter any more information needed to clarify the reason for re-input or to preserve a proper audit trail. For deletes, enter the cycle of the delete action.
- (22) Box 15 - Process as Remittance or Non-remittance.
- Mark the remittance box if the document or block contains money. If the money has been removed for separate processing, mark non-remittance.
 - Adjustment Document Code 54 is non-remittance even though header amounts may be present in box 5, 6 or 10.
 - All returns with green rocker amounts, all payment documents, and accounting transactions with Document Codes 24, 45, 48, 51, 58, and 87 are remittance documents.
 - Green rocker the money amount on the payment documents originally processed as "RPS" if the money is now being processed with the document.
- (23) Box 16 - Serial Number.
- Enter the DLN serial number(s) of the documents being re-input.
 - For an entire block or multiple documents, enter the range of serial numbers, such as 00-49.
- (24) Box 17 - Preparer Information.
- Enter your name and phone number and the current date. Also, mark the appropriate originating organization.
- (25) Box 18 - Re-entry Document.
- If box 11 is "N" or "4", mark the appropriate box.

(26) Box 19 - Reprocessable Document.

- If “R” is marked on item 11, enter the reason that the posted document is being reprocessed. **Rejects will never use “Box 19”.**

3.12.38.5.18
(01-01-2016)

Reprocessable Returns

- (1) Reprocessable returns are those that posted to the Master File, but posted to the wrong account, e.g. incorrect EIN, wrong MFT, or incorrect tax period. As part of the correction process, the return must be reprocessed to the correct account. Electronically filed returns can also be reprocessed using a print of the return from the Employee User Portal (EUP).
- (2) Form 13596, Reprocessing Returns is used to reprocess returns to the correct Master File account. It is attached to the front of the return below the entity portion. The original DLN is lined through (but still visible) and a new DLN assigned.

Note: Returns that were originally filed electronically, are given a paper DLN for reprocessing.

- (3) Code & Edit will edit the correct information from Form 13596 to the return being reprocessed. ERS/Rejects will process the return to the account indicated by the Form 13596.
- (4) Returns have to be cleared by Statutes if the ASER (Assessment Statute Expiration Date) expires within 90 days. If not cleared, route to Statutes.
- (5) If the return is missing information and/or attachments necessary for processing, void the DLN and route back to the originator who prepared the Form 13596.

3.12.38.5.19
(01-01-2016)

Missing Documents

- (1) This section provides instruction for Missing Documents including:
 - Reconstruction
 - Form 6752
 - Action Codes
 - Write-off

3.12.38.5.19.1
(01-01-2016)

Missing Documents - Reconstruction of Missing Records

- (1) Research **IDRS** for the valid entity data before reconstructing the documents.
- (2) If the message on the MCC transcript is “NO TIN ON TIN CHG FILE. ENTITY NOT ON ACTIVE MF”, do not reconstruct the document.
- (3) Cancel the DLN. Prepare Form 6752.

Note: Never void a return that has had a manual refund issued.

- (4) If the document contains money, route to Unidentified.

Caution: Never void a document with money. Prepare a Form 3244 for the money.

- (5) Missing documents with valid entity data will be reconstructed using dummy documents.
- (6) Prepare the dummy document with all the valid entity data that is present, including the TIN, fiscal month ending, and filing requirements.

- Enter only enough tax data for the total tax to equal the credits.
 - All tax entries should be blank for a non-remittance return with no estimated payments.
 - For returns with credits or payments, prepare the dummy return in the easiest way that will cause the total tax to equal the payments plus credits.
 - Enter the DLN and necessary entity data and indicate: "Dummy return prepared for missing document".
 - Generally, Statutes will not clear any potential statute documents without enough information (for example, to establish a tax liability amount) or a return, and/or correspondence without an original signature agreeing to that liability. If it appears that the original document was signed (Not an Action 225 or 226) notate on the signature area of the dummy document "Do not correspond for signature, it was on the original return."
- (7) Correct the reject register, using Action Code 6, to show only the data entered on the dummy return.
- (8) Access the ERS record with CC GTREC.
- (9) Use CCs CRECT, GTSEC and/or DLSEC to enter information as shown on the dummy document.
- (10) No SCCF action is needed, but Form 6752, Return Non-Refile Flag, must be prepared.
- (11) If the return is a Form 990, 990EZ or 990-PF the campus Aperture Card Unit should have a record on file of the filmed return.
- Request a copy of the return by name and tax year.
 - If a copy of the return is received, annotate in the margin of the return "Original Filmed".
 - Use the copy of the return for the dummy return or for re-inputting the return.

3.12.38.5.19.1.1
(01-01-2016)
**Form 6752, Return
Non-Refile Flag**

- (1) Form 6752, Return Non-Refile Flag, must be prepared when a missing document record is being:
- Reconstructed using a dummy document, or
 - Removed from the inventory, or
 - Nullified Unpostable received without the return, or
 - Deleted
- (2) The Form 6752 should be inserted into the block for all missing records to flag the document if sent to Files.
- (3) If required by local procedures, attach a charge-out Form 2275, Form 4251 or Form 8161 behind the Form 6752 so the return can be pulled if returned to Files.
- (4) Enter the following information on Form 6752:
- a. Employee name and number and Reject Unit and Stop Number.
 - b. Entity information available on record.
 - c. Closing date of record.
 - d. Form number and tax period of record.

- e. Amount and disposition of remittance.
- f. Dates of searches and transcript requests.
- g. More information - document correspondence action taken, no reply, other history items.
- h. Attach a copy of the reject register or any other information to the Form 6752 for future research. (If local procedures permit, attach Form 8161 and any other ERS data.)
- i. The approving signature must be entered at the bottom of the Form 6752 when this form is used as authority for removing an item from the SCCF and reject register or ERS file.

3.12.38.5.19.2
(01-01-2016)

**ERS Missing Document
Action Codes**

- (1) ERS records are suspended with Action Codes 510 through 515 to indicate a missing document.
- (2) Action Code 510 is used only by Code and Edit to place a missing document record into Workable Suspense.
- (3) Action Code 511 is used with SSPND by Error Correction or Rejects to establish the initial 25 workday suspense period.
 - Enter this code when transcript, files, and IDRS research has failed to produce the document or sufficient information to reconstruct the document.
 - Do not use Action Code 511 if we have corresponded with the taxpayer to request a copy of the return, instead use the appropriate 21X Action Code.
 - Use Action Code 511 only if the case should not be reviewed for the next five weeks.
 - If the return is located and routed to ERS, it must be activated for processing.
- (4) Action Code 512 is the second 20 workday suspense.
 - Use this code to resuspend after the second search for the missing document.
 - When this code is used, the record should have been in ERS approximately one month, and no more follow-up action will be needed for the next 20 workdays.
- (5) Action Code 513 is the third 20 workday suspense, to be used after 60 days in ERS, when more follow-up action will be needed after 20 more workdays.
- (6) Action Code 515 is used to suspend a missing document for five workdays.
 - Use this code when follow-up action will be needed more quickly than the standard four-week period.

3.12.38.5.19.3
(01-01-2016)

**Write-Off of Missing
Documents**

- (1) Rejects will continue to research the Reject Aged List and Unworkable Suspense Aged Report, attempt to locate documents, and be responsible for their perfection for at least 90 days.
 - Missing items for which research other than a file search is impossible may be cleared after 30 days.
 - Document Code 17 and 18 items should be cleared within 30 days if all possible research and file searches have proven unsuccessful.

3.12.38.5.19.3.1
(01-01-2016)
**Unresolved Missing
Records**

- (1) Unresolved missing Reject records must be deleted from the reject file and the SCCF.
- (2) Delete non-remittance records by entering “2-D” on the SCRS register, or RJECT 640 for ERS.
- (3) Delete remittance items by entering “2-N” on the SCRS register, or CC NWDLN for ERS:
 - If the remittance is being transferred to Unidentified, enter “URF” above the DLN on the register or use CC NWDLN 611 “URF” for ERS.
 - All missing debit items and unapplied credit items must be routed to Accounting before they can be cleared from the SCCF. However, the documents may be cleared from the reject inventory at the time they are routed to Accounting.
- (4) Any credit or non-remittance item to be removed from the SCCF and reject register or ERS file under the above procedures, requires approval of the Chief, Accounting Operation and/or Chief, Input Correction Operation.
- (5) Debit items to be written off must be approved by the Submission Processing Center Director.
- (6) Route all documentation and research for items closed to Unidentified to Accounting.
- (7) Maintain a separate historical file for any subsequent closing action in the event a document is finally located. This file may be merged with the file maintained by Accounting after two years and destroyed after five years.

3.12.38.5.19.3.2
(01-01-2016)
**Document Found After
Write-Off**

- (1) If a document is found after removal from the reject file, research accounts and IDRS to verify that the taxpayer has not filed a second return.
 - If another return (with a different DLN) has posted and no penalty and interest were assessed, route the return with backup research to Files for association with the other DLN. Route the return to Accounts Management for review if penalty and interest were assessed. The received date on the initial return is important in assessing or abating any penalty and interest.
 - If the account has an open IDRS control base, route the document to the function of control with a note indicating that the record was written off the SCCF.
 - If re-inputting the document for a statute period, be sure the document has current clearance by the Statute Control function following local campus procedures.
- (2) Research the SCCF using CC SCFTR to verify that the record is closed on the SCCF. If the item was closed on SCCF without posting,
 - Prepare Form 3893 to re-input the document.
 - Mark the 4 box on item 11. For item 18 check the SC Reject box. Leave item 19 blank.
 - Edit the document and route to Batching for input as a re-input.
 - If money has been transferred to Unidentified, do not release the document until the credit has been applied.

- SCCF adjustment is necessary, if CC SCFTR shows 4-2, re-establish the DLN with 2 - 0 using CC SCFAJ or Form 4028.
- (3) If the return was forced to post, research to determine the status of the taxpayer's account.
- If correct, route the return to Files.
 - If incorrect, route to Accounts Management.
- (4) If a remittance has been applied to Unidentified, prepare Form 3465 for Accounting to reapply the money. Indicate on Form 3465 that a secondary TC 570 should be input.
- (5) Prepare Form 8765 if the remittance is in excess collections. Use the table below to prepare the form.

Form 8765, Excess Collection/Unidentified Remittance File Credit Application

Line	Title	Input Information
1	Source of credit	Check the box for source of credit, either XSF or URF.
2	Application type	Enter one application type: "M" - credit to post to Master File account; "N" - credit to post to Non-Master File (includes EPMF); "T" - credit to generate account rather than taxpayers account (includes ANMF and EPMF from other SPCs).
3	File control number	Enter the DLN from the XSF/URF record.
4	Notice indicator	Check only if Letter 2349 (SP) needs to be sent to taxpayer.
5	Date return filed	Enter date the return was filed. Leave blank if the IRS received date is not known.
6	File name control	Enter name control as shown on XSF/URF record. Circle in red pencil if UNKN is name control on XSF/URF.
7	Application name control	Enter name control of module where credit is to be applied, (M only).
8	Trans code (1)	Enter Primary Transaction Code.
9	Transaction code (1) amount	Enter Primary Transaction money amount in dollars and cents.
10	Trans Code (2)	Enter Secondary Transaction Code, when applicable. Enter TC 570 if no credit is to be refunded.
11	Transaction code (2) amount	Enter Secondary Transaction money amount in dollars and cents, when applicable. Leave blank if TC 570 is input.
12	Trans code (3)	Leave blank.
13	Transaction code (3) amount	Leave blank.
14	Taxpayer identification number	TIN of account to be credited. (M or N only)
15	Tax period	Tax Period in YYYYMM format. (M or N only)
16	MFT	Enter 2-digit code. (M or N only)
17	Remarks	Entry required on all types of applications.

Line	Title	Input Information
18	Plan number	Enter the 3-digit plan number if MFT is 74 or 76. (N only)
19	Location code or 23C date	Location or 23C date required on N only.
20	Tax form	Enter the tax form. (N only)
21	General ledger account	DLN from ULC required. (N only)
22	Preparer name	Preparer’s name required.
23	Employee number	Preparer’s employee number required.
24	Phone number	Preparer’s phone number required.
25	Date	Date when Form 8765 was prepared is required.

Note: Verify the credit on XSF/URF using research and/or correspondence. Attach the documentation to justify the application.

3.12.38.5.20
(01-01-2016)
Voided Documents

- (1) This section of the manual lists the procedures that are to be followed for voided documents.

3.12.38.5.20.1
(01-01-2016)
Conditions for Voiding Documents

- (1) There are four major types of voided documents:
 - Numbered documents, that should not be processed. Examples of documents that should not be processed include: cover letters, schedules, attachments, and/or forms without a tax return.
 - Unprocessable IRS prepared documents
 - Missing documents with Form 6752 prepared. IRM 3.12.38.5.19.1.1, Form 6752, Return Non-Refile Flag.
 - MeF returns nullified by Entity Unpostables and Form 4251 is notated “Cancel DLN”. Unpostables has already corresponded with the taxpayer.

Caution: Never void a return that does not meet the above criteria.

- (2) Remittance documents cannot be voided unless the money is first applied to some other document or the unidentified remittance file. For SCRS enter “2-N”, for ERS enter NWDLN-611.
- (3) Enter “2-D” on a register identified for deletion by Data Control. For ERS enter RJECT-640.
- (4) Perform the following when determining if a return DLN should be deleted:

If	Then
Return indicates amended, revised, supplemental, corrected, superseding/replacement or multiple returns filed for the same tax period.	Research BMFOL, BRTVU, SUMRY, and/or TXMOD to determine if information is exactly the same as a posted return. <ol style="list-style-type: none"> 1. If all information is not the same process the return with a Computer Condition Code (CCC) "G". 2. If return is not posted for the tax period, release for processing. 3. If information is exactly the same, cancel the DLN and request the return be filed with the posted return and line through the DLN. Route to Files. <p>Exception: If the posted return was electronically filed, do not route to Files. It is classified waste.</p>
DLN assigned to attachments instead of an actual return,	Research BMFOL, BRTVU, SUMRY and/or TXMOD to locate original return DLN. <ol style="list-style-type: none"> 1. If original return DLN is located, cancel the DLN, line through DLN on document and request it be attached to the original return DLN. See above exception. 2. If original return DLN is not located, cancel the DLN, line through the DLN and route to Accounts Management.
Form 1120 subsidiary return with filing requirement 1120-14,	Research BMFOL, BRTVU, SUMRY, and/or TXMOD to locate "Consolidated" Form 1120 return DLN. <ol style="list-style-type: none"> 1. If "Consolidated" Form 1120 return DLN is located, cancel DLN, line through DLN on document and request the document be attached to the original return DLN. See above exception. 2. If "Consolidated" Form 1120 return DLN is not located, cancel the DLN and request the document be re-filed in its original block.

- (5) Use IDRS prints to attach something to a document in Files by typing the word "attachment" on the IDRS screen before printing, or notate on printout. Highlight the word "attachment" and the DLN receiving the attachment. Attach this to the front of the document. Line out the DLN on the document being sent, or follow local procedures to route to Files.

3.12.38.5.20.2
(01-01-2016)

**Unprocessable IRS
Prepared Documents**

- (1) IRS prepared documents are voided and returned to the originator if not fully processable.
- Attach Form 4227 (or local form) to the front of the document stating the reason for deletion.

- (2) If the Preparer can't be identified, do not line through DLN, route to Files. For documents returned to originator, prepare Form 1725 or local routing control.
- (3) For area office line through the DLN, and route to the originating office.
- (4) Only with supervisory approval, destroy IRS prepared documents that are to be canceled and not attached behind the return or routed to the Preparer.

3.12.38.5.20.3
(01-01-2024)

Transfer to Unidentified

- (1) The Unidentified Remittance File (URF) was established for the purpose of controlling unidentified payments that are received in the campuses. URF employees use various methods to determine where the credit needs to post.
- (2) Remittance documents are transferred to Unidentified in the following cases:
 - No reply to correspondence for excess remittance.
 - The taxpayer indicates in a reply to correspondence that no remittance was sent.
 - The document is missing and the register contains insufficient information to initiate research, correspond, or apply the money to the tax module.
 - Inaccessible ANMF payments.
- (3) If the unidentified transaction "debit" and today's date falls between October 1, 2023 and September 30, 2024, and the document has a:

Julian Date of	Then
October 1, 2023 (274) thru September 30, 2024 (274),	RJECT 630 and prepare Form 4028 to URF/4620 Account.
September 30, 2023 (273) and prior, and the transaction received date is within the last year (365 days),	RJECT 630 and prepare Form 4028 to URF/4620 Account.
Any Julian date with a transaction received date that is more than a year before today's date,	RJECT 630 and prepare Form 4028 to EXC/6800 Account.

- (4) If the unidentified payment is a "Credit", today's date falls between October 1, 2023 and September 30, 2024 and the document has a:

Julian Date of	Then
October 1, 2023 (274) thru September 30, 2024 (274)	"NWDLN 611 URF"
September 30, 2023 (273) and before and the payment received date is within the last year (365 days)	"RJECT 630" and prepare Form 4028 to URF/4620 ACCOUNT
Any Julian date with a payment received date that is more than a year before today's date	Prepare Form 8758 to attach to original document. "RJECT 630" and prepare Form 4028 to EXC/6800 ACCOUNT

Note: For September 30 use 273 Julian day except for Leap Years, then use 274 day. For October 1 use 274 Julian day except for Leap Years, then use 275 day.

- (5) If the return will not be processed, no SCCF adjustment is needed. Route the document with Form 3244 to Accounting.
- (6) If the Julian date in the DLN is for the current fiscal year,
 - Enter Action Code “2-N” and the literal “URF” above the DLN on the register, or
 - Enter “NWDLN 611” with the literal “URF” above the DLN and line through the DLN
- (7) If the Julian date in the DLN is for a prior fiscal year,
 - Enter Action Code “2-N” and the literal “OTHER” above the DLN on the register, or
 - Enter “NWDLN 611” with the literal “OTHER” above the DLN and line through the DLN
- (8) When multiple documents are routed to Accounting for application to the Unidentified Remittance File, be sure to attach an adding machine tape of the remittance amounts to be applied.
 - Separate tape totals should be provided for each tax class and Master File.
 - Attach separate tapes for items going to other Accounting files. (See IRM 3.17.220, Accounting and Data Control Excess Collections File, for other instructions on transfer to Unidentified.)
- (9) Some remittance cannot be applied to Unidentified because the DLN is more than 1 year old and remittances must be applied to Excess Collection.
 - Credits less than one year old, other than Doc Codes 48, 58, or 65 may not be added to the Excess Collection File (XSF).
 - When this occurs, prepare Form 8758 to send to XSF in the Accounting Branch.

3.12.38.5.20.4
(01-01-2016)

**Excess Collection File
(XSF)**

- (1) The Excess Collection File (XSF) is where URF cases are moved to once the transaction date is a year old. The credits remain on the IDRS file for seven years after they are moved to the XSF. XSF employees continue to research where the money belongs. It is also used when the Refund Statute Date expires and there are credits still on the account. Those credits are moved to the XSF as the taxpayers are no longer entitled to a refund.
- (2) The XSF can be accessed one day after the Form 8758 have been sent to Accounting.
- (3) Use CC XSINQ to verify that the credit has been added to the XSF file.
 - As soon as a record has been added to the XSF, it is available for research at any IDRS terminal.
 - Any function which establishes control bases on its cases and requests a credit to be added to the XSF will consult CC XSINQ to determine appropriate closure of its control base.

- CC XSINQ researches the Excess Collections File by amount of credit, by name control or by DLN. At least one of these data elements must be input. The search is narrowed by using as many of these pieces of information as possible.
 - If the DLN of the credit being researched is not known, using the Area Office number reduces the volume of matches presented to the researcher from nation-wide to those of the designated area.
- (4) Apply to Excess Collection by entering “2-N” with the literal “EXC” or “NWDLN 611 EXC”.
 - (5) If the remittance will be applied to another file, use the following literals with “NWDLN” or “2N”:
 - OTHER - Other miscellaneous general ledger accounts (use only with prior year DLN).
 - DEPF - Deposit Fund Account 4700.
 - EXC - Excess Collection Account 6800.
 - SMCR - Small Credit/Debit Write-off Account 6540.
 - WASH - Washout of Offsetting Debit and Credit Transactions.
 - (6) Do not use “EXC”, “DEPF” or “OTHER” except for prior fiscal year DLN without prior coordination with Accounting.
 - (7) “WASH” should only be used when both the debit and credit documents are in Rejects, are for the same tax class, MFT, and should be closed on the same day.
 - (8) For “WASH” documents when the tax class and/or Master File Code are not the same, 2-R the register, notate Form “4028” at the bottom of the register, prepare Form 4028. RJECT 630 the document DLN, “0 to 2” and notate “WASH” in remarks.

3.12.38.5.20.4.1
(01-01-2016)
Preparing Form 8758

- (1) All fields on Form 8758 are required unless stated otherwise below.
- (2) Document Locator Number - This 14-digit entry is the DLN of the credit on the account from which its transfer to XSF is requested and will become the XSF control number.
- (3) Renumbered DLN - If the document has been renumbered, put the new DLN here, optional.
- (4) Source Code - This 2-character entry identifies the organization transferring the credit:
 - AD - Accounts Management (Adjustments)
 - AM - Accounts Maintenance
 - CO - Compliance (Collections)
 - DO - Area Office
 - NM - Non-Master File (ANMF)
 - OT - Other
 - RJ - Rejects
 - ST - Statutes
 - NU - Nullified Unpostables
- (5) Status Code - This 4-character entry will be either “FROZ” “OPEN” or “IDEN.”

- If “FROZ” (frozen) is used, Source Code must be “ST” with documentation in file explaining Status.
 - “OPEN” will be assumed if no entry is made.
 - If “IDEN” (identified) is used, attached documentation or History section must explain why this credit cannot be applied to the correct account.
- (6) Employee Assignment Number - used by **XSF employees only**.
- (7) Debit Transaction Code
- (8) Dollar Amount of Credit - Amount of credit to be added to the XSF. Required numeric entry.
- (9) TC 570 - Check box if a TC 570 needs to be input to the Master File account, optional. It is **required** if multiple credits are being moved from a single account.
- (10) Payment Type - 2-character entry will generally be completed only if the credit was previously incorrectly applied from the URF and is now too old to be read to that file.
- BC - Business Check
 - CA - Cash (including cash conversions)
 - CC - Cashier’s Check
 - FD - Federal Tax Deposit (including Certificates of Deposit)
 - GC - Government Check
 - MO - Money Order
 - PC - Personal Check
 - UK - Unknown
 - WT - Withholding
- (11) IRS Received Date - 8-digit required entry in month, day and year format (MMDDYYYY).
- Should reflect earliest date recorded by any IRS office (actual received date).
 - Credits less than one year old (computed from the IRS-received date) other than Doc Codes 48, 58, or 65 may not be added to the XSF.
- Note:** They must be added to the Unidentified Remittance File.
- (12) Actual Rec’d Date Prepaid Credits - optional.
- (13) First Name Line - entry limited to 35 characters.
- (14) Second Name Line - entry limited to 35 characters, optional.
- (15) Street Address - entry limited to 35 characters, optional.
- (16) City, State, ZIP Code - entry limited to 29 characters, optional.
- (17) Reason for Transfer to XSF - Reason for the transfer of credit, entry is limited to 70 characters.
- (18) Taxpayer Identification Number - entry limited to nine numerics.
- (19) EFTPS - if EFTPS payment check Yes box.
- (20) MFT - 2-digit entry.

- (21) Tax Period - Six-digit entry in year and month format. (for example, June, 2018 is 201806).
- (22) Trace Id Number - Required for all payments after December 31, 2007.
- (23) Preparer Name - Print preparer's name.
- (24) Employee Number - Preparing employee's IDRS number, optional.
- (25) Campus - Preparing employee's campus.
- (26) Team Name - Preparing employee's functional area
- (27) Team Fax Number - Preparing employee's functional area's fax number, optional.
- (28) STOP # - Preparing employee's mail stop or drop point.
- (29) Phone Number - Preparer's telephone number.
- (30) Date - containing the date Form 8758 is prepared, optional.
- (31) Research Prior to Transfer - to reflect research performed in originating function. Copies of pertinent documents such as transcripts and taxpayer correspondence should be attached to the completed Form 8758.

Note: See IRM 3.17.220 if more information is needed.

3.12.38.5.21
(01-01-2016)
Receiving Rejected and Suspended Documents

- (1) This section of the manual lists the procedures that are to be followed when receiving rejected and suspended documents. Information in this section includes the following:
 - Timeliness of processing rejects
 - Sources of rejects

3.12.38.5.21.1
(01-01-2016)
Timeliness of Processing Rejects

- (1) Rejected Documents - corrective action for items in the work inventory should be completed within ten workdays (except Form 1120, which will be processed in five workdays).
- (2) Correspondence should be within ten days for items requiring taxpayer contact.
- (3) ERS Workable Suspense items should be worked or re-suspended within five workdays.
- (4) The above time frames do not apply while processing is unworkable for:
 - Taxpayer contact
 - Accounting or Adjustment action (except consolidated Form 1120 in Accounting. These will be processed in five workdays)
 - Prescribed re-sequencing action
 - MCC Transcripts
 - Entity Control Suspense
 - Extensive research (includes ISRP/RRPS TC 610 cases)
 - Examination suspense
 - Review by Criminal Investigation
 - Documents not readily available in campus

- Control by Technical
- Bankruptcy Suspense

- (5) TE/GE reject cases 45-59 days old should be reviewed to ensure timely resolution or re-suspension.
- (6) Aged reject cases (over 60 days) should be worked as quickly as possible and should not exceed twenty percent of the inventory.

Note: Aged SCCF cases will be expedited.

- (7) All cases should be completed within 120 days.
- (8) Beginning with the sixth week of receipts (January thru February 15), combined IMF and BMF Rejects should not exceed the previous four weeks' receipts (excluding current cycle's receipt).

3.12.38.5.21.2
(01-01-2016)

Sources of Rejects

- (1) Records are identified and coded for rejects or ERS suspense from several different sources. These sources are:
 - Code & Edit
 - Error Correction
 - Unpostables
- (2) Forms 941 and 940 tape returns will be controlled directly to Rejects when the computer determines that attachments must be reviewed. Action Code 550 is generated for ERS.
- (3) Records are automatically sent to ERS suspense because of a duplicate block DLN.
- (4) After completing the necessary corrective action requested on Form 4227, Form 4251, etc., remove action sheets and attach to back of returns.

3.12.38.5.21.2.1
(01-01-2016)

Code & Edit Function

- (1) A tax examiner has determined that research or correspondence is required on a numbered document.
- (2) An Action Code is entered on the source document and transcribed as part of the record.
- (3) If the Action Code is complete and valid, the record will be placed in the unworkable suspense inventory for a predetermined number of days or in the workable suspense inventory to be resolved immediately. (ERS only)
- (4) CCC "U" is placed on the document and transcribed as part of the record.
SCRS only

3.12.38.5.21.2.2
(01-01-2016)

Error Correction Function

- (1) A tax examiner determines that more information is needed for processing.
- (2) The ERS examiner will enter CC SSPND with a valid Action Code.
- (3) An error correction tax examiner will enter Action Code 3, on the SCRS register.

3.12.38.5.21.2.3
(01-01-2016)

Suspense Correction

- (1) If a correction is required, enter CC GTREC with a complete DLN.
1. Enter CC GTSEC with the appropriate section number and enter the data received.
 2. After all the data has been entered, enter C in the Clear Code Field and the record will be subjected to normal validity checks.
- (2) If no correction is required, enter CC GTREC with a complete DLN and enter C in the Clear Code Field.
- (3) If a correction is required to computer-generated Action Codes, refer to the appropriate IRM.
- Action Codes 700, 711-715, Duplicate DLNs, enter a “C” in the Clear Code Field and the record will be subjected to normal validity checks.
 - Action Code 900, Unpostables, see IRM 3.12.38.7, Unpostables.
 - When all the data has been entered, enter “C” in the Clear Code Field and the record will be subjected to normal validity checks.

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3.12.38.5.21.2.4
(01-01-2016)

Unpostables Function

- (1) Certain unpostable records, determined to be uncorrectable on the Generalized Unpostable File (GUF), are rejected and automatically established on a reject register or an ERS workable suspense record.
- (2) A tax examiner nullifies an unpostable document with Unpostable Resolution Code (URC) “8”.

3.12.38.5.22
(01-01-2016)

ERS Suspense Inventory Control

- (1) This section of the manual lists the procedures that are to be followed for controlling the ERS suspense inventory. Information in this section includes the following:
- Types of suspense records
 - ERS Status Codes
 - ERS Suspense reports
 - Workable inventory display
 - Maintaining the ERS suspense file

3.12.38.5.22.1
(01-01-2016)

Types of Suspense Records

- (1) Suspense records appear on one of two inventories.
- Records requiring correspondence, research, or routing to other campus functions are placed in the Unworkable Suspense Inventory to await more information.
 - Records that are immediately resolvable are placed in the Workable Suspense Inventory.
 - These records should be controlled and assigned to tax examiners for resolution as they appear on the Workable Suspense Inventory.
- (2) The Action Code determines in which inventory a record appears. For a specific list, see Exhibit 3.12.38-1, Action Codes.

- 3.12.38.5.22.2
(01-01-2016)
ERS Status Codes
- (1) Records wait in suspense under different Status Codes, which are determined by the Action Code assigned.
 - (2) The first digit of the Status Code indicates whether the record is in the Workable or Unworkable Inventory. The second and third digits of the Status Code are the same as the first and second digits of the Action Code.
 - (3) Records held for quality review are in status "1QA" for Worked Error Records, and "3QA" and "4QA" for Worked Suspense Records.
 - (4) All error records on the real-time file are included in Status 100.
 - (5) Error records waiting to be loaded from the ERS 01 file are identified on CC ERVOL as status 900.
- 3.12.38.5.22.3
(01-01-2016)
Workable Suspense Inventory Summary, ERS 13-43
- (1) This report shows the total number of records in the workable Suspense Inventory by program number and number of days in Workable Suspense.
 - Each program is printed on a separate page and counts the number of days in Workable Suspense for items in each Status Code. A separate page provides totals for each Master File.
 - All items in Workable Suspense should be resolved or resuspended within five workdays.
 - (2) This report is used to monitor the timely resolution of Workable Suspense records.
- 3.12.38.5.22.4
(01-01-2016)
Workable Suspense Inventory, ERS 13-42
- (1) This report lists by DLN each record in the Workable Suspense Inventory and the total number of days the record has been in ERS.
 - Separate pages with totals for each program are provided.
 - Separate inventories will be provided for each Suspense Status in each Master File.
 - Separate reports will be printed showing the records in inventory by the number of working days the records have been in the inventory.
 - (2) Items identified as zero days in Workable Suspense reflect the complete inventory of records newly assigned to Workable Suspense.
 - Whenever possible these items should be resolved within five workdays.
 - If a case cannot be closed and requires more action (for example, second correspondence, routed to Entity, CI, etc.), suspend using the appropriate action code.
 - Records will appear on the Workable Suspense Inventory listing (ERS 13-42) in five day intervals until resolved.
 - All listings of ten or more days should be routed to the person designated to work aged cases.
- 3.12.38.5.22.5
(01-01-2016)
Workable Inventory Display
- (1) This screen display shows, by ascending program number, the current number of unworked records in workable inventory in the Error Inventory and Workable Suspense Inventory.
 - (2) Separate displays will be provided for each status and shows the time and date of the display.

- (3) This report is used for work planning and control and indicates the volume of unworked Error Records remaining that day.
- 3.12.38.5.22.6
(01-01-2016)
Unworkable Suspense Summary, ERS 07-41
- (1) This report shows the total number of records in the Unworkable Suspense Inventory for each status code based on the number of days remaining in suspense.
 - (2) Separate inventory and Summary reports and totals are printed for each Master File.
 - (3) The Unworkable Suspense Summary report provides an overview of the type and age of the records and may be used to project the number of items that will become workable on future dates.
- 3.12.38.5.22.7
(01-01-2016)
Unworkable Suspense Inventory, ERS 07-40
- (1) This report provides the same information as the Unworkable Suspense Summary except it contains further breakout by program number.
 - (2) This report is especially useful for programs approaching a Program Completion Date to identify the type of documents in the inventory.
- 3.12.38.5.22.8
(01-01-2016)
Maintaining the ERS Suspense File
- (1) ERS Suspense records are automatically returned to the workable inventory when the designated suspense period has expired.
 - (2) Associate the expired suspense documents or charge-outs with the Unworkable Suspense Inventory listing.
 - Check the correspondence to ensure that the taxpayer has had at least ten days beyond the date stated in the letter for response. Do not mark as “no reply” or route to Tax Examiners without verifying the actual expiration date of the letter.
 - (3) Review to determine if the documents are ready to be worked.
 - (4) If the document was routed to another area of the campus, contact that area to determine if the document has been completed.
 - If not, resuspend with the same action code and place back in the suspense file.
 - (5) Input CC ACTVT to bring the returns back to workable suspense when documents and correspondence replies are received.
- 3.12.38.5.23
(01-01-2016)
Qualified Cellulosic Biofuel known as “Black Liquor”
- (1) These procedures are for a nonrefundable credit taken on Lines 5 and/or 7 (for 2009 form revision), of Form 6478, Alcohol and Cellulosic Biofuel Fuels Credit. Lines 5 and/or 8 on the 2010 revision of form 6478 and Lines 5 and/or 9 on the 2008 revision. This credit will roll up to Form 3800, General Business Credit, Line 29c. Impacted returns will have “CBR” notated at the top of the return by the taxpayer and will be identified in C&E with an AC 343.
- Caution:** These instructions apply to **2009 tax year only**, including fiscal year filers (200901 through 201011)
- (2) Action Code 343 will force the returns to fall out to ERS/Rejects where they will be set aside for a special review. Paper SCRS returns will be U coded and routed to Rejects for the review.

- (3) The review will be done by SBSE Exam at both CSPC and OSPC. The Exam reviewers will stamp the returns.

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review procedures in IRM 3.12.38.5.6, Manual Refunds, so have the reviewers fill out their portion of the review check sheet.

- (4) ERS/Rejects will continue processing the return as filed. Any adjustments will be made after the return has posted.

3.12.38.6
(01-01-2016)

Manager Guidelines

- (1) This section provides guidance to managers on the system and the reports available. The information in this section includes the following:

- System Capacity
- CC ERVOL
- ERS Reports
- Production reports
- Daily employee time reports
- CCs EREMP and ERUTL

3.12.38.6.1
(01-01-2016)

Error Resolution System Capacity

- (1) The real-time portion of the Error Resolution System has a capacity of approximately "400,000" records per campus.

- Up to "20,000" records may be retained on the Quality Review File, so the effective capacity for real-time planning is "420,000" records.
- The ERS programs will run more efficiently with fewer records on the file. If the system approaches capacity, it may be difficult to have ERS real-time available by the beginning of the shift the next day because the nightly update may not have been completed.
- Although the ERS database can hold several days of inventory, campuses should strive to keep each Master File's inventory that is older than Day 5, at less than five percent (5%) of that Master File's total inventory (e.g., if the sum of BMF ERS cases from the ERS 13-41 Report is 100,000 cases, that means inventory older than Day 5 should not be 5,000 or more.)

- (2) An ERS inventory threshold has been established where up to "50,000" records are automatically added to the error file.

- This would happen only if the entire workable suspense file had been worked.
- An automatic "ORDER ALL RECORDS" will be made if the total of the unworked/unselected records is less than "50,000" records.
- If the total of the unworked/unselected records exceeds the threshold, only the two oldest workgroups will be added. (The system will keep a count of the two oldest workgroups.)
- If the addition of the two oldest workgroups exceed the threshold, only the oldest workgroup will be added.
- If the oldest workgroup will exceed the threshold, only the predetermined program (for example, 11200) will be added automatically.
- No inventory will be automatically added to the system if the threshold will be exceeded unless a selection is made.

- (3) The Input Correction Operation has the ability to select any or all of the unselected records available.

- However, if the total workable inventory (error, suspense and quality review) is permitted to exceed capacity, the excess will be placed in overflow status.
 - Since the ERS file is maintained in DLN sequence, the records with the highest DLNs, regardless of status or days in inventory, will move to the temporary “overflow” inventory.
 - All “overflow” records will appear on the ERS control file as Status 999.
 - During the nightly update, if the size of the workable file has been reduced, “overflow” records will be automatically transferred back to the workable inventory.
 - In “overflow” status, the record is not accessible with any CC or included on any inventory list.
 - The record is available only for research on the ERS control file with CC ERINV.
- (4) Although unselected records will be automatically added to the ERS error file, Input Correction Operation Managers should monitor the inventory levels to ensure that adequate work will be available for the next day.
- After each GMF 27 and GMF 37 runs, records are loaded into the ERS01 file prior to selection for the real-time ERS system.
 - Records are held in this file to be selected later for real-time.
 - The Error Resolution Available Inventory Report will be received from the console printer in the Computer Branch.
 - A separate printout, Error Resolution Unselected Records Inventory (ERS 03-40) is in the same format as the Available Records Inventory and lists all ERS records being held in the unselected inventory.
 - In addition, the Error Resolution Selection Method (ERS 03-41) lists the records selected and the number of the employee making the selection.

3.12.38.6.2
(01-01-2016)
**CC ERVOL - View ERS
Records**

- (1) The CC ERVOL may be used to estimate, view, and select records for ERS processing.
- (2) Each day, compare the Grand Total Error Records count to the count from ERVOL 100 to estimate the unselected records that will be automatically added to ERS during nightly processing.
- (3) Remember that Workable Suspense records are always added automatically to the real-time file and must be considered to the system capacity.
- (4) If the automatic selection will exceed the established threshold, but it has been determined that all records should be added to ERS enter CC ERVOL followed by a space and the following words ORDER ALL RECORDS (as shown)
ERVOL ORDER ALL RECORDS.

Note: The response is “Request completed - Selection is all records”.

- (5) If only a limited number of records should be added, enter CC ERVOL followed by a space and the following words INVENTORY DISPLAY (as shown)
ERVOL INVENTORY DISPLAY.

3.12.38.6.2.1
(08-05-2020)

**Viewing and Selecting
Records from the
Available Records
Inventory**

- (1) There are two screens available for viewing or selection. Both screens display the program number and available inventory.
 - (2) When ordering by program number from one page/screen only:
 1. "Page" (position cursor on line 24 position 48 and transmit) to needed page/screen.
 2. Select program number(s) and enter amount(s) to order or enter "ALL" to order all inventory of selected program(s).
 3. Transmit from line 23 or below last item on page/screen.
 - (3) When ordering from more than one page/screen:
 1. Enter "CC ERVOL INVENTORY DISPLAY".
 2. Select program number(s) and enter amount(s) to order or enter "ALL" to order all inventory of selected program(s).
 3. Transmit from line 23 or below last item on page/screen.
- Note:** CC ERVOL ORDER BY PROGRAM must appear at top left corner when ordering. This is issued by the program. Do not attempt to input this **CC** or the program will abort.
- (4) After records have been ordered, the first page/screen of the series will display the message "REQUEST COMPLETED-ORDERED AS FOLLOWS" This message will appear on all pages/screens.
 - (5) The page/screen will display all the program numbers along with the selected inventory ordered.
 - (6) Within each program, the oldest records are automatically selected.
 - (7) Within an inventory day, records are selected in DLN sequence up to the end of the batch in which the requested volume has been reached.
 - (8) Selections made using ERVOL can be changed at any time during the workday.
 - (9) If selection is not made, the automatic selection procedures will be employed.

3.12.38.6.2.2
(08-05-2020)

**Viewing and Selecting
Records from the Error
Resolution Unselected
Records Inventory**

- (1) Selective ordering of documents is available as well as moving from screen 1 to screen 2.
 - To view the documents on the second screen, position cursor on line 24, column 48 of screen 1 and transmit.
 - To return to the first screen, position the cursor at the bottom of the screen 2 on line 24, column 48 and transmit.
- (2) To order records from the first screen, enter number of documents requested in each program and transmit on line 23.
- (3) Ordering from the second screen requires entering "CC ERVOL INVENTORY DISPLAY" going to the second page/screen and making individual selections.
- (4) To selectively order records on the second screen, make your selections then position the cursor on any line below the last item on this screen and transmit.

- (5) Within each program, the oldest records are automatically selected.
- (6) Within an inventory day, records are selected in DLN sequence up to the end of the batch in which the requested volume has been reached.
- (7) To request all documents for a program, enter “ALL” and transmit.

Note: CC ERVOL will only order programs from the first screen and not the second screen unless you go back to the “CC ERVOL ORDER ALL RECORDS” and go to the second page and order “ALL”.

3.12.38.6.3
(01-01-2016)
Error Resolution System (ERS) Reports

- (1) This section of the manual provides information about the Error Resolution System (ERS) reports. Information in this section includes the following:
 - Error Resolution Inventory Control Report, ERS 17-47
 - Error Inventory Summary, ERS 13-41
 - Error Inventory Listings, ERS 13-40

3.12.38.6.3.1
(01-01-2016)
Error Resolution Inventory Control Report, ERS 17-47

- (1) The Error Resolution Inventory Control Report, ERS 17-47, is a one-page summary of activity for each of the ERS files. This daily report is used to provide an overview of the ERS inventories.
 - The report shows the number of records added and removed from each inventory daily.
 - Items in the Quality Review File are included in the ending inventory counts for Errors and Workable Suspense.
- (2) The primary purpose of this report is to provide Data Control a simplified method of balancing the ERS to the SCCF.

3.12.38.6.3.2
(01-01-2016)
Error Resolution Error Inventory Summary, ERS 13-41

- (1) This report shows the number of error records in the Error Inventory, by ascending Program Number, and the total for each Master File.
 - Separate reports are categorized by the number of working days the records have been in the inventory. The Error Inventory Summary is printed daily.
 - The report is used for management control of the inventory and work planning and control.

3.12.38.6.3.3
(01-01-2016)
Error Inventory Listings, ERS 13-40

- (1) This report is printed daily and lists each Block DLN in the Error Inventory. Separate inventories are printed for:
 - Each Master File
 - Each Program number
- (2) Use this report to assign work to Tax Examiners, to associate documents with error records, and to release documents from previous day’s workload, retaining only those for the unworked records.
- (3) Separate reports are printed showing the records in inventory by the number of working days the records have been in the inventory.
- (4) Separate reports are printed for each “Batch Number” with the following information items:

- Block Control Number
- Block DLN
- Error Count for each Block
- Control date of data entry through ISRP and GMF
- Ascending DLN order within each Batch
- Total error count for each Batch

(5) Separate reports are printed for Blocks received from BOB Correction.

3.12.38.6.3.4
(01-01-2016)

ERS Interest Jeopardy Reports

(1) The ERS Interest Jeopardy reports are generated from the error tape file and Reject Transaction File in an effort to reduce the amount of interest paid by the IRS.

(2) There are three ERS Interest Jeopardy Reports that are generated daily that processed within the 45 day interest-free period. They are:

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- ERS 17-50 = Interest Jeopardy Report - Error File
- ERS 17-51 = Interest Jeopardy Report - Suspense File
- ERS 17-52 = Interest Jeopardy Report Summary

(3) ERS 17-50, BMF Interest Jeopardy Report - Error File includes:

- Block Number
- Batch Number
- DLN
- Tax Period
- Status
- Received Date
- Must Be Corrected By (date)
- Overpayment (dollar amount)
- Control Day

(4) ERS 17-51, BMF Interest Jeopardy Report - Suspense File includes:

- DLN
- Tax Period
- Status
- Received Date
- Must Be Corrected By (date)
- Overpayment (dollar amount)
- Control Day

(5) ERS 17-52, BMF Interest Jeopardy Report Summary includes:

- Form
- MFT Code
- Error Returns (Total from ERS 17-50 by return type)
- Suspense Returns (total from ERS 17-51 by return type)
- Total Returns

#

(6) Documents listed on ERS 17-50 and ERS 17-51 require expedite corrective actions to refund the overpayment. Documents listed in the higher dollar amounts should be corrected first.

3.12.38.6.3.5
(04-13-2016)
**Production Reports,
ERS 77-40 and ERS
77-41**

- (1) The Error Resolution Production Report, ERS 77-40, shows the number of hours worked, the volume of documents worked, the production rates and the disposition of the records worked for each individual Tax Examiner.
 - To be included in ERS production reports, each employee must have an Employee Number with 240 through 279 in third, fourth and fifth positions.
 - The report with totals will be prepared for each program in Error Correction and the program and status in Workable Suspense Correction.
- (2) This information will be used by management for monitoring performance. It will also be used to detect possible misuse of Action Codes.
- (3) The Production Summary, ERS 77-41, gives a total for each item monitored by the Production Report, categorized by program, for Error Correction, and by program and status, for Suspense Correction.

3.12.38.6.3.6
(01-01-2016)
**Daily Employee Time
Reports, ERS 77-46 and
ERS 77-47**

- (1) The Error Resolution Daily Time Report shows the number of hours worked and the volume of records worked, by ascending program number and the total, for each Tax Examiner, for both Error Correction and Suspense Correction.
 - The report will show the employee's identification number and name.
 - Separate pages with employee totals will be printed for each employee.
 - The pages will be printed by ascending employee identification number in each organization.
- (2) This report is used to prepare the individual employee time reports.
- (3) The Daily Employee Time Report Summary gives a total for each item monitored by the Daily Employee Time Report.
- (4) The total is given for each organization, Error Correction and Suspense Correction.

3.12.38.6.3.7
(01-01-2016)
CC EREMP

- (1) The CC EREMP is used to add, delete, or change employee records on the Employee Name and Organization File, or to designate a specific employee for Quality Review Analysis the following day. Enter CC EREMP on line 1 and transmit.
 1. Your response will be the EREMP format with column headings on line 2, and all fields.
 2. Enter on the fifth line the appropriate Action Indicator, the 10-digit Employee Number, and if applicable, the unit number, the employees first initial, middle initial, and last name.
 3. If you wish to enter actions for more employees, enter the appropriate data on the remaining lines, one per line through line 23.
 4. Your response will be display of EREMP with all the entered data fields for all records processed correctly.
 5. Invalid entries will result in a display of that line with an Error Code in positions 64-65.
- (2) CC EREMP should be restricted to designated managers and Quality Assurance personnel. (See Job Aid For ERS Mangers, 2515-019).

Note: EREMP is overwritten by QRSEL. If an employee is chosen for QRSEL, no information will show on EREMP.

3.12.38.6.3.8
(01-01-2016)

**Employee Name and
Organization File**

- (1) The Employee Name and Organization File is the controlling file for the Production Reports and the Daily Employee Time Reports.
 - Whenever a new employee is assigned to ERS that employee must be added to this file.
 - Whenever a current employee is reassigned from or within ERS the file must be updated.
- (2) Enter CC EREMP to obtain the display of the entry format, then enter below the "X" the employee Action Code, the 10-digit Employee Number, and if applicable, the unit number, the employees first initial, middle initial, and last name.
 1. Enter the appropriate Action Indicator for each employee to indicate the action to be taken. Data for multiple employees may be entered on one screen.
 2. The response will be the display of EREMP with the data entered without an error code.
 3. Invalid entries will result in a re-display of that line entry with an Error Code in positions 64-65 at the right of the screen.

3.12.38.6.3.8.1
(01-01-2016)

Employee Action Codes

- (1) The Employee Action Codes are listed in this section of the manual.
- (2) A - Add a new employee.
 - All fields must be present (middle initial excepted).
 - Each Employee Number must contain 340 to 389 in the third, fourth and fifth positions.
- (3) C - Change the information in a current employee's record.
 - The Employee Number must be present.
 - Only the remaining fields to be changed are required.
- (4) D - Delete a current employees record.
 - Only the Employee Number is required.
- (5) R - Display this employee's current information.
 - Only the Employee Number is required.
 - This response will be a re-display of this line including the employee's data.
 - To request all the data on the Employee File, enter "ALL".

3.12.38.6.3.8.2
(01-01-2016)

Employee Error Codes

- (1) The Error Codes are listed in this section of the manual.
- (2) E1 - Invalid Employee Action Code.
 - The code is other than A, C, D, or R.
- (3) E2 - An attempt was made to add a new employee when an employee record already exists with the same employee number.

- (4) E3 - An attempt was made to change:
 - an employee record, or
 - delete an employee record, or
 - display an employee's current information when there is no employee record with that employee number in the file.
- (5) E4 - Invalid program number.
- (6) E5 - Invalid quantity.
- (7) E6 - Attempt to delete an employee from Quality Review who was not marked for review.
- (8) E7 - Attempt to display Quality Review information for an employee who was not marked for Quality Review.
- (9) E8 - Non-numeric employee number.

3.12.38.6.3.8.3
(01-01-2016)

Maintaining the File for EREMP

- (1) All employees are held in TIP file 28 that are added via EREMP (Action Code A) until they are deleted with an Action Code D in EREMP and passed through ERS83 to execute the deletion. The TIP file is never dumped so employees will remain in the file year after year. It is the responsibility of the service center to ensure the review and clean up their TIP file 28 by utilizing definers in EREMP.
- (2) If your site is experiencing issues with adding employees for review using CC EREMP, it is likely that you have exceeded the limit in the TIP 28 file.
- (3) To clean up your site's TIP 28 file, you need to identify all employees in the file:
 - Access EREMP to load a blank screen,
 - Input R in the Action Code,
 - Input ALL in the employee number.
- (4) EREMP will return a complete list of all employees in the TIP 28 file. Verify all employees listed and identify employees that need to be deleted.
- (5) Delete employees no longer under review from your file using Action Code D and the employee number. The employee(s) will be deleted when ERS83 runs at the end of the day.

Note: Employee numbers are **not** validated by the program and you will not receive any error message.

3.12.38.6.4
(01-01-2016)

Research

- (1) This section of the manual lists the procedures that are to be followed when researching and include:
 - CC ERUTL and Parameter Codes
 - Researching documents needed by other IRS functions

3.12.38.6.4.1
(01-01-2016)

CC ERUTL

- (1) ERUTL is a utility Command Code designed to display several different areas within the ERS record for research purposes. It can be used to display the following:

- Section problem indicators (Priority II Errors)
- The error code and clear code indicators (Priority IV Math and Consistency Errors)
- Section presence indicators
- Selected header information

Note: This code is valid for workable records or on the day the record is worked.

(2) The format for entering the CC is **ERUTL XXX 99999-999-99999-9**.

Note: 99999-999-99999-9 is the DLN of the document in the file which is to be re-searched and XXX is a three-character parameter.

(3) If only the CC ERUTL is entered, a screen listing instructions for use will be displayed.

(4) If only CC ERUTL and a DLN is entered, the same instructions will be displayed.

3.12.38.6.4.2
(01-01-2016)

ERUTL Parameter Codes

(1) The three-character parameters perform the functions described in this section of the manual.

(2) DPD - displays section problem indicators for priority II section problems.

(3) DEC - displays Error Code and Clear Code indicators for Priority IV Errors.

- A "*" appears where an Error Code is set.
- A "C" appears where an Error Code is cleared.

(4) DSP - displays section presence indicators.

- A "0" indicates section is not present.
- A "1" indicates section is present.

(5) DHR - displays the following information:

- Line 1 - Header information (DLN, current date, and time)
- Line 2 - Blank
- Line 3 - Document DLN
- Line 4 - Document program number
- Line 5 - Employee Number (last person to update the record)
- Line 6 - Shows a "Y" if the record has an invalid action code (Priority I Error)
- Line 7 - Shows an "R" if document was reworked
- Line 8 - Displays any Action Code assigned to the record
- Line 9 - File from which the record was loaded (Error or Suspense)
- Line 10 - The action taken is listed in (6) below
- Line 11 - Any green or blue-rockered money amount displayed with the error record.
- Line 12 - DLN of the record
- Line 13 - ERS worked indicator: "W" for worked and "U" for unworked
- Line 14 - Disposal code listed in (7) below
- Line 15 - 19 CAPR Code Module 1 through 5 displays in the columns listed in (8) below
- Line 20 - Purge indicator for year-end processing will be P or blank
- Line 21 - RPS indicators are listed in (9) below

- (6) The line 10 action for the parameter “DHR” are as follows:
 - CORRECTED - indicates error free record
 - NEW DLN XXXXX-XXX-XXXXX-X - indicates a new DLN was assigned
 - SUSPENDED - indicates record was suspended
 - NOT WORKED - indicates record is not worked
 - REJECTED - indicates record was rejected. It listed the reason it was rejected such as: ANMF/NON-ADP, RE-ENTRY (RE-INPUT), VOID, INTERNATIONAL, DATA CONTROL DELETE, or MISSING DOCUMENT
- (7) The line 14 Disposal Code can be one of the following:
 - 1 - error record awaiting correction
 - 2 - suspense record awaiting information
 - 3 - suspense record with expired suspense period
 - 4 - suspense record with information
 - 5 - record was deleted
 - 6 - record is corrected and error free
- (8) The line 21 RPS indicator can be one the following:
 - Blank - for non-RPS
 - S - for IMF RPS
 - 2 - for BMF RPS

3.12.38.6.4.3
(01-01-2016)
**Research for Documents
Needed by Other IRS
Functions**

- (1) The Control Unit and Reject/Suspense Unit frequently receives calls and visits from other IRS employees attempting to locate documents that may be in the reject inventory.
- (2) Research the correspondence suspense file, the file copies of reject registers, and the inventory lists as needed. It may also be necessary to search the following:
 - Closed registers
 - The Form 3210 for documents temporarily reassigned
 - The disposition list
 - The current work inventory
- (3) If the requested document is in the reject inventory, pull the document immediately and attempt to resolve. The requesting organization may have the information needed to resume processing.
- (4) The ERS Control File is available for research from any IDRS terminal, using CC ERINV and either a TIN or a DLN. Other functions should be encouraged to use this method, rather than asking Input Corrections to do the research.

3.12.38.6.5
(01-01-2016)
**Erroneous Prompt,
Quick, and Jeopardy
Assessments**

- (1) This section of the manual lists the procedures that are to be followed for resolving erroneous Prompt, Quick, and Jeopardy assessments.
- (2) Prompt, Quick and Jeopardy requests are expeditious assessments when a statute is near or collection of taxes is in jeopardy.
- (3) These pre-journalized transactions are numbered with a Doc Code 51.

- (4) Erroneous assessments are sometimes made, and these assessments go unpostable. Unpostables will correct or abate a document with a full entity.
- (5) However, they are unable to correct or abate documents without an entity present.

Note: These documents will be forwarded to Rejects to be processed as ANMF documents.

3.12.38.6.5.1
(01-01-2020)

Processing Instructions

- (1) Use the instructions in this section to correct erroneous Doc Code 51 assessments.
- (2) Forward Form 3552, Prompt Assessment Billing Assembly, and Form 3210, Document Transmittal, to KCSPC's ANMF Accounting for a new DLN to be assigned.
 - Each transaction code that is on Form 3552 must be reversed.
 - Accounting will assign a new ANMF DLN and forward if back to Rejects on Form 3210.
 - Code the MF registers with the new ANMF DLN and release.
- (3) Prepare Form 1331-B, Notice of Adjustment for reversal and abatement action. ANMF Accounting will establish a ULC (Unit Ledger Card) to show the assessment and abatement action.
 1. Enter the type of tax return this adjustment will be applied against.
 2. Taxable period - enter the tax period of the document being adjusted.
 3. Name and Address - enter the name control from Form 3552.
 4. This should be the only entity information on the form other than the TIN.
 5. If there is more entity information, such as a complete name line, contact the Unpostable Unit for instructions on how they want the document to be processed.
 6. Enter the TIN below the address lines.
 7. Computation of liability.
 8. Each transaction code that appears on the Form 3552 must be transferred to Form 1331-B.
 9. Enter the statement "Abate Assessment DLN" and the DLN of the original 3552.
 10. Date - enter the date of preparation.
 11. Prepared by - enter the initials of the preparer, employee number and telephone extension.
 12. Enter the total amount for Section 1 of the Form 1331-B.

3.12.38.7
(01-01-2016)

Unpostables

- (1) This section of the manual lists the procedures that are to be followed when receiving and correcting unpostables. Information in this section includes the following:
 - Receiving rejected unpostables
 - Types of rejected unpostables
 - Researching rejected unpostables
 - Receiving auto void unpostables
 - Applicable unpostable codes and the correction procedures

Exception: When Transaction Code 984 and 986, become unpostable, the correction procedures to be used are located in IRM 3.12.279, BMF/CAWR/PMF Unpostable Resolution (.208 for TC 984 and .81 for TC 986).

3.12.38.7.1
(01-01-2016)
Receiving Rejected Unpostables

(1) Unpostable records are received from the Generalized Unpostable Framework (GUF) and go back on SCCF when in Rejects Inventory.

Caution: These records may be Aged SCCF items when received. Aged SCCF cases need expedited processing. If received from UP without the return, do a special search (Green Flag) for the return.

(2) Each reject unpostable (or batch) will include an explanation of the unpostable condition, the suggested action and the return/document or Form 4251, Return Charge-Out. The information is on an Unpostable Routing Slip Form 8749 or an attached UPRES print. Any document or return received without an acceptable explanation will be referred to Unpostables for clarification.

Exception: MeF returns to be voided will only be annotated on the Form 4251 or the UPRES print from IDRS as "Cancel DLN". No copies of the return are necessary.

(3) Items nullified with Unpostable Resolution Code (URC) 8 will appear on the Nullified Distribution Lists (GUF 55-47) - Rejects.

Note: The area closing the unpostable is responsible for associating documents to the listing.

(4) Rejects will use the Nullified Distribution Listing as the transmittal to ensure all documents have been received or accounted for. Documents received, not appearing on the list, will be returned to Unpostables.

(5) Retain the listings for associating returns/documents sent by Files. The fourth documents requests by Unpostables are sent directly to Rejects.

(6) Unpostables will correspond with taxpayer prior to rejecting the return. No further correspondence is needed.

3.12.38.7.1.1
(01-01-2016)
Nullified Unpostable User Fees

(1) Installment Agreement and Reinstatement Agreement User Fees or adjustments to these User Fee modules can be identified by the transaction codes and MFT(s).

- BMF user fee accounts have MFT 13 with a tax period of 20XX12.
- IMF user fee accounts have MFT 55 with a tax period of 20XX01.
- TC 694 and may have a secondary TC 360.
- TC 695 and may have a secondary TC 361.

(2) These types of user fees are not to be processed as payments or as adjustments and are only handled by the Compliance User Fee Sweep program.

(3) Any unpostable sent to ERS/Rejects for these user fees will be sent back to the tax module that the money came from.

- TC 694 will be changed to TC 670, the DPC will be changed to 99, and the MFT and tax period are determined by the module where the money originated.
- TC 695 will be changed to TC 672, and the MFT and tax period are determined by the module where the money originated.

Caution: These instructions do not apply to other types of user fees, such as Exempt Organization (EO) User Fees, or Employee Plans (EP) User Fees.

3.12.38.7.2
(01-01-2016)
**Types of Rejected
Unpostables**

- (1) Rejected Unpostables are divided into six categories:
- Statute Cases
 - Batch Rejects
 - Missing Documents
 - EFTPS Unpostable Payments - Ogden only
 - Unpostable Resolution Code (URC) "8"
 - Auto-void Unpostables

3.12.38.7.2.1
(01-01-2016)
Statute Cases

- (1) Statute cases are assigned directly to the Statute Unit but will remain in the Unpostable inventory until the case is resolved by the Statute unit, or URC 8 coded into Reject/Suspense inventory.
- (2) After reviewing the documents, the Statute Unit will make corrections to the files available to them on the GUF screen.
- (3) The Statute Unit will URC 8 code the case to be worked by Rejects/Suspense and if they are unable to correct the case through GUF.

3.12.38.7.2.2
(01-01-2016)
Batch Rejects

- (1) Certain unpostable conditions are identified and corrected for several documents at the same time.
- (2) These may be received with a single Unpostable Routing Slip for the entire batch of unpostable documents.

3.12.38.7.2.3
(01-01-2016)
Missing Documents

- (1) Unpostables is required to conduct the initial research for missing documents and three more follow-up searches; one after the initial search and two at approximately fourteen day intervals.
1. When a record is rejected (after the third search), all research documentation is routed to Rejects after the fourth search request is initiated by Unpostables.
 2. Form 8749, Unpostable Action and Routing Slip, Form 4251, Return Charge-Out, or local routing slip is attached to indicate the reason for the unpostable and the corrective action (when appropriate) if the document is located, reconstructed or resubmitted.
- (2) Rejects will initiate a special search (Green Flag) as soon as the documentation is in Rejects Inventory.

3.12.38.7.2.4
(01-01-2016)

**EFTPS Unpostable
Payments (Ogden Only)**

- (1) EFTPS and RS-PCC process unidentified remittances. These payments can be identified by a **15-digit EFT number** consisting of:

Position	Name	Description
1	FA ID Number	2 - Bank of America
		3 - Treasury Offset Program
		4 - SSA Levy Program
		5 - RS-PCC
		0 - E-file Debit
2	Payment Method	1 - ACH Credit
		2 - ACH Debit
		3 - FR-ETA
		4 - Reserved
		5 - Levy
		6 - Credit Card
		7 - Online
		8 - Railroad Retirement Board (RRB) Link
		9 - Government Payment (FEDTAX, Federal Payment Levy Program or SSA Levy)
3	Combined Payment Indicator	See IRM 3.17.277.5.3, Electronic Payments (can vary)
4 - 7	Year Digit/Julian Date	Last digit of year plus Julian Date. If overflow, 401 - 766 may be used.
8 - 9	Bulk Provider Number	See IRM 3.17.277.5.3 (various)
8 - 15	EFT Sequence Number	Randomly assigned number

- (2) If EFTPS is unable to identify the correct taxpayer, the payment will unpost with **EIN 00-0000001**. These payments will unpost as several UPCs:

- UPC 303
- UPC 305
- UPC 313
- UPC 316
- UPC 329
- UPC 341
- UPC 490

(3) These unpostable payments will be routed to Unidentified in Accounting. Unpostables will provide the cases or may provide a listing for Accounting and prints of CC TXMOD will accompany them.

3.12.38.7.2.5
(01-01-2016)

Unpostable Resolution Code (URC) “8”

(1) An Unpostable Tax Examiner has determined the document must be corrected by Rejects/Suspense Tax Examiner.

Note: There is no need for ERS/Rejects TEs to correspond with the taxpayer, if Unpostables already has, check ENMOD.

(2) A separate unpostable routing slip will be attached with an explanation of the unpostable condition and the proposed resolution (corrective action).

(3) The Reject Tax Examiner will be responsible for correct editing of documents, using the appropriate C&E IRM (3.11.XXX), for cases released with URC 8. (Example: 8736 needing to be converted to Form 7004)

(4) If an unpostable condition is present on a Form 720, Quarterly Federal Excise Tax Return, which cannot be resolved, the responsible SPC Planning and Analysis analyst should contact the Headquarters Form 720 processing analyst for assistance.

(5) URC 8 documents may originate with instructions from Unpostables, Entity, Criminal Investigation or Statutes.

3.12.38.7.2.6
(01-01-2016)

Auto Void Unpostables

(1) Rejects will receive certain unpostable returns directly from the GUF system.

(2) The ERS Priority I screen has been changed to display the Master File unpostable and reason code on all transactions with Action Code 900.

(3) For more detailed information on category codes reference IRM 3.12.32, General Unpostables.

3.12.38.7.3
(01-01-2016)

Researching Rejected Unpostables

(1) Sources of information on unpostables activated and case status, in addition to IDRS CCs are:

- GUF 11-40 - New Unpostable Report (reports are separated by Master File)
- GUF 57-40 - Closed Unpostable Register
- Unpostable Log Book or Listing

(2) GUF 11-40, New Unpostable Report, is generated each week for all unpostables printed in order by Master File, Category Code and DLN and contains the following information:

- Sequence Number
- Document Locator Number (DLN)

- Repeat Indicator
- Taxpayer Identification Number (TIN)
- Name Control or Check Digits
- MFT
- Tax Period
- Transaction Code (TC)
- Cycle of Unpostable
- Unpostable Code
- Master File Name Control if applicable

- (3) The Cumulative Closed Unpostable Register lists unpostables which have been closed during the current processing year.
- a. It is used as the audit trail for closed unpostables.
 - b. A separate list is provided for each Master File, and cases for each list are sorted in unpostable TIN order.

3.12.38.7.4
(01-01-2020)
**Unpostable Code 301
RC 4 (KCSPC Only)**

- (1) UPC 301 RC 4 - TC 150 for MFT 52 with entity information attempts to post.

3.12.38.7.4.1
(01-01-2016)
**Invalid Condition - UPC
301 RC 4**

- (1) UPC 301 RC 4 - This unpostable occurs when a TC 150 form MFT 52 with entity attempts to post and:
- the Date of Death is zeros; or
 - the Date of Death is greater than the current 23C date.

3.12.38.7.4.2
(01-01-2016)
**Correction Procedure -
UPC 301 RC 4**

- (1) Correct the Date of Death.

3.12.38.7.5
(01-01-2016)
**Unpostable Code 304 -
Input Transaction
Attempts to Establish a
Tax Module with a Tax
Period Prior to the
Master File**

- (1) UPC 304 RC 0 and 7 - An input transaction attempts to establish a tax module on the Business Master File with an invalid tax period.

3.12.38.7.5.1
(06-23-2016)
**Invalid Condition - UPC
304 RC 0 through 7**

- (1) UPC 304 RC 0 through 7 - The unpostable occurs when an input transaction attempts to establish a tax module with a tax period prior to those shown below:
- MFT 68 - tax period 199701
 - MFT 42- tax period 200012
 - MFT 14 - tax period 200612
 - MFT 17 - tax period 200601
 - MFT 67 - tax period 197012

- 3.12.38.7.5.2
(01-01-2016)
**Correction Procedures -
UPC 304 RC 0 through 7**
- (1) If other than an original return or payment, cancel the DLN and route the document to the originator explaining the reason it was canceled.
 - (2) If unpostable is a payment, research to determine if payment was processed to the wrong MFT or Tax Period and correct accordingly.
 - Payment amount agrees with a balance due module.
 - Payment is in alignment with other payments posting to a balance due module.
 - Payment is in alignment with payments posting to a future module.
 - For MFT 17, if payment is intended for a period prior to 200601, take the necessary action to process the payment to ANMF.
 - (3) If unable to determine where payment should post or if original return, correspond with the taxpayer.
 - a. Post according to taxpayer information when reply is received.
 - b. If incomplete reply or no reply, take the necessary action to route the payment to Unidentified.
 - c. If incomplete reply or no reply, take the necessary action to cancel the DLN, if original return, and send to Files to be filed in original block.
- 3.12.38.7.6
(01-01-2016)
**Unpostable Code 304
RC 9 - ACA MFT 43
Invalid Payment**
- (1) A TC 640 (MFT 43) payment received for tax period prior to 201512.
- 3.12.38.7.6.1
(01-01-2016)
**Invalid Condition - UPC
304 RC 9**
- (1) Any TC 640 payment for MFT 43 that was received for tax period prior to 201512.
- 3.12.38.7.6.2
(01-01-2016)
**Correction Procedures -
UPC 304 RC 9**
- (1) ACA payments (TC 640 - MFT 43) received prior to tax period 201512 must be refunded to the taxpayer.
 - (2) UP will auto close them to ERS/Rejects who will void the DLN and route the payment document or RTR print to Unidentified. Unidentified will refund the payment to the taxpayer.
- 3.12.38.7.7
(01-01-2016)
**Unpostable Code 307
RC 1**
- (1) UPC 307 RC 1 - Change in accounting period.
- 3.12.38.7.7.1
(01-01-2016)
**Invalid Condition - UPC
307 RC 1**
- (1) Occurs when the fiscal month of a Form 1120, 1041, or 1065 input transaction is attempting to establish a tax module, but did not match the fiscal month of the account entity, and it was not a transaction TC 150 trying to establish the first 1120, 1041, or 1065 tax module, or was not a TC 150 containing CCCs F or Y.

- 3.12.38.7.7.2
(01-01-2016)
**Correction Procedures -
UPC 307 RC 1**
- (1) UPC 307 RC 1 - When the return received from the Unpostable function is a:
- Form 1041 which indicates it was filed as an Application for Benefits Under IRC 443(b)(2) - Cancel the DLN and route to Accounts Management to be processed as a claim.
 - Form 1120-F, U.S. Income Tax Return of a Foreign Corporation, or Form 1120-FSC, U.S. Income Tax Return of a Foreign Sales Corporation, with a remittance. Move money to Form 3244, Payment Posting Voucher, and post to Master File FYM and route the return to Entity.
- 3.12.38.7.8
(01-01-2016)
**Unpostable Code 307
RC 2**
- (1) UPC 307 RC 2 - Future tax period.
- 3.12.38.7.8.1
(01-01-2016)
**Invalid Condition - UPC
307 RC 2**
- (1) UPC 307 RC 2 - Occurs when any transaction except TC 421 and TC 424 with SPC 039, Source Code 60 and Employee Group Code 1000/2000 attempts to open a module with a period ending greater than the 23C date plus 12 months.
- 3.12.38.7.8.2
(01-01-2016)
**Correction Procedures -
UPC 307 RC 2**
- (1) If the document is a payment:
- Research CC BMFOL for debit module and if found, correct the tax period on the screen to allow the payment to post.
 - If no debit module, correct the payment to the current year.
- (2) If the document is a return:
- Research return and attachments to determine correct period ending and make the correction to the screen.
 - If the return was early filed, suspend with Action Code 480.
- (3) All others, route to the originator.
- 3.12.38.7.9
(01-01-2016)
**Unpostable Code 307
RC 9 - Form 3520 Fiscal
Month mis-match (OSPC
only)**
- (1) MFT 68 TC 150 (Form 3520).
- 3.12.38.7.9.1
(01-01-2016)
**Invalid Condition - UPC
307 RC 9**
- (1) UPC 307 RC 9 - This unpostable occurs when the input fiscal month of TC 150 for MFT 68 does not match the entity fiscal year month and the TIN is an EIN.
- 3.12.38.7.9.2
(01-01-2016)
**Correction Procedure -
UPC 307 RC 9**
- (1) Change the tax period to agree with the FYM on Master File.

- 3.12.38.7.10
(01-01-2016)
**Unpostable Code 308
RC 6 - Magnetic Tape
940 Filing Requirement
Discrepancy**
- (1) UPC 308 RC 6 - MFT 10 TC 150 (Form 940 Series).
- 3.12.38.7.10.1
(01-01-2016)
**Invalid Condition - UPC
308 RC 6**
- (1) UPC 308 RC 6 - occurs when MFT 10, TC 150 attempts to post to a module containing 2 previously posted DP Adjustments in blocking series 400-439 that do not net to zero.
- 3.12.38.7.10.2
(01-01-2016)
**Correction Procedure -
UPC 308 RC 6**
- (1) UPC 308 RC 6 - Cancel the DLN and route the document to Accounts Management.
- 3.12.38.7.11
(01-01-2016)
**Unpostable Code 309
RC 1 Tax Period/Master
File Tax (MFT) Mismatch**
- (1) UPC 309 RC 1 - occurs when an input transaction attempts to establish a tax module and does not match on MFT code and tax period. TC 694 for MFT 13 with a designated Payment Code (DPC) of 47 or 48.
- 3.12.38.7.11.1
(01-01-2016)
**Invalid Condition - UPC
309 RC 1**
- (1) UPC 309 RC 1- occurs when an input transaction attempts to establish a tax module and does not match on MFT code and tax period.
- 3.12.38.7.11.2
(01-01-2017)
**Correction Procedures -
UPC 309 RC 1**
- (1) Change transaction code to TC 670, renumber document correct MFT and tax class to post to the module on Master File where it was posted.
- 3.12.38.7.12
(01-01-2020)
**Unpostable Code 311 RC
1 - NMF Account
(KCSPC Only)**
- (1) UPC 311 RC 1 - A Transaction Code other than a TC 370 attempts to post to a tax module not on the Master File.
- 3.12.38.7.12.1
(01-01-2016)
**Invalid Condition - UPC
311 RC 1**
- (1) UPC 311 RC 1 - occurs on Non-Master File Accounts.
- (2) UPC 311 RC 1 - occurs when an input transaction coded other than TC 370 (document code 51) with secondary TC 402 attempts to post to a tax module whose status is 29 (Account Transferred Out of MF).
- 3.12.38.7.12.2
(01-01-2016)
**Correction Procedures -
UPC 311 RC 1**
- (1) UPC 311 RC 1 - Renumber original returns using exhibits located in IRM 3.17.46, Automated Non-master File Accounting.
- Remember Form 4338, Information or Certified Transcript Request is **not** needed.
- (2) UPC 311 RC 1 - Renumber payment items using exhibits located in IRM 3.17.46, Automated Non-master File Accounting.

Reminder: Remember Form 4338 **must** be prepared for these items.

3.12.38.7.13
(01-01-2020)
**Unpostable Code - 311
RC 2 - NMF Accounts
(KCSPC Only)**

- (1) UPC 311 RC 2 - TC 370, Account Transfer In with Doc Code 51.

3.12.38.7.13.1
(01-01-2016)
**Invalid Condition - UPC
311 RC 2**

- (1) UPC 311 RC 2 - An input TC 370 (document code 51) with secondary TC 400 attempts to post to a tax module whose status is 29.

3.12.38.7.13.2
(01-01-2016)
**Correction Procedures -
UPC 311 RC 2**

- (1) UPC 311 RC 2 - Cancel the DLN and route to the Accounting.

3.12.38.7.14
(01-01-2016)
**Unpostable Code 318
RC 1 - BMF Credit
Transfer Invalid**

- (1) UPC 318 RC 1 - TC 790, Manual Overpayment Applied from IMF.

3.12.38.7.14.1
(01-01-2025)
**Invalid Condition - UPC
318 RC 1**

- (1) UPC 318 RC 1 - occurs when TC 790 input to an account liable for any of the following:
 - Form 1120, U.S. Corporation Income Tax Return
 - Form 1041, U.S. Income Tax Return for Estates and Trusts
 - Form 990, Return of Organization Exempt From Income Tax
 - Form 990-C, Farmer's Cooperative Association Income Tax Return
 - Form 990-T, Exempt Organization Business Income Tax Return
 - Form 990-EZ, Short Form Return of Organization Exempt From Income Tax
 - Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation
 - Form 1041A, U.S. Information Return Trust Accumulation of Charitable Amounts
 - Form 5227, Split-Interest Trust Information Return
 - Form 4720, Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the IRC
 - Form 709, United States Gift (and Generation - Skipping Transfer) Tax Return
 - Form 709-NA, United States Gift (and Generation-Skipping Transfer) Tax Return of Nonresident Not a Citizen of the United States
 - Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return
 - Form 1065, U.S. Return of Partnership Income

- 3.12.38.7.14.2
(01-01-2016)
**Correction Procedures -
UPC 318 RC 1 - BMF
Credit Transfer Invalid**
- (1) UPC 318 RC 1 - If Unpostable 318 -1 generates, Rejects will reverse it back to the Cross-Reference Data: TIN, Name Control, MFT, Plan Number or Tax Period. The TC will remain the same.
- The CCA/42/43 report is automatically generated to the originator for notification of the reversal.
- 3.12.38.7.15
(01-01-2016)
**Unpostable Code 319
RC 1**
- (1) UPC 319 RC 1 - Check Digit/Major City Code mismatch.
- 3.12.38.7.15.1
(01-01-2016)
**Invalid Condition - UPC
319 RC 1**
- (1) UPC 319 RC 1 - When there is a Check Digit mismatch or Major City Code mismatch. the unpostable is auto-closed to Rejects.
- 3.12.38.7.15.2
(01-01-2020)
**Correction Procedures -
UPC 319 RC 1**
- (1) Form 1120-S, doc code 16, with incorrect city and Foreign Country Code:
- Correct the City Field and Foreign Country Code Field, as necessary.
- (2) Form 1041 with either a check digit or Major City Code mismatch:
- If check digit is used, delete them and input the name control.
- (3) Payments with a check digit mismatch:
- If check digit is used, delete them and input the name control.
- 3.12.38.7.16
(01-01-2016)
**Unpostable Code 325
RC 3 - Module Balance
Unavailable**
- (1) UPC 325 RC 3 - Credit reversal exceeds the Master File module credit balance.
- 3.12.38.7.16.1
(01-01-2016)
**Invalid Condition - UPC
325 RC 3**
- (1) UPC 325 RC 3 - Occurs when a Credit reversal (TC XX2) with Doc Code 24, 47,48, 54, or 58 may have Xref, MFT, Tax Period, 99/999999 (TIN) attempts to post and the input debit amount exceeds the module credit balance.
- 3.12.38.7.16.2
(01-01-2017)
**Correction Procedure -
UPC 325 RC 3**
- (1) UPC 325 RC 3 - Forward to the Accounting for the 6800 Account/Excess.
- 3.12.38.7.17
(01-01-2016)
**Unpostable Code 328
RC 5 - Branded
Prescription Drug (BPD)**
- (1) UPC 328 RC 5 was created because of a Legislative Mandate resulting from the Tax Relief and Job Creation (Extenders) Act of 2010.

3.12.38.7.17.1 (01-01-2016) (1) A BPD TC 670 with Designated Payment Code (DPC) 27 attempting to post to any module other than MFT 03 tax period YYYY08.

Invalid Condition - UPC 328 RC 5

3.12.38.7.17.2 (01-01-2016) (1) The year must be equal to the Year Digit in the Document Locator Number (DLN) The DLN will contain an Ogden File Location Code 29.

Correction Procedure - UPC 328 RC 5

Example: DLN 29419-XXX-XXXX-Y and must be posted to 20YY08.

If	But	Then
TC 670 with DPC 27 belongs to the taxpayer,	Is addressing the wrong tax module,	Rejects to renumber to the correct MFT.

3.12.38.7.18 (01-03-2017) (1) UPC 328 RC 5 - An IPF TC 670 attempting to post to any module other than MFT 79 tax period YYYY09.

Unpostable Code 328 RC 5 - Insurance Provider Fee (IPF)

3.12.38.7.18.1 (01-03-2017) (1) UPC 328 RC 5 - Occurs when a IPF TC 670 attempts to post to any module than MFT 79 tax period YYYY09.

Invalid Condition - UPC 328 RC 5

3.12.38.7.18.2 (01-03-2017) (1) Renumber to the correct MFT and tax period.

Correction Procedure - UPC 328 RC 5

3.12.38.7.19 (01-03-2017) (1) Unpost any TC 640 with a DPC 43 attempting to post to any module other than MFT 43 and tax periods other than 201512. 201512 is the first valid tax period.

Unpostable Code 328 RC 8 - Provision 4980H Employer Shared Responsibility Payment

3.12.38.7.19.1 (01-03-2017) (1) UPC 328 RC 8 - Occurs when a TC 640 with a DPC 43 attempts to post to any module other than MFT 43 and tax periods other than 201512. 201512 is the first valid tax period.

Invalid Condition - UPC 328 RC 8

3.12.38.7.19.2 (01-03-2017) (1) Renumber to correct MFT, tax period. First valid tax period is 201512.

Correction Procedure - UPC 328 RC 8

- 3.12.38.7.20
(01-01-2016)
**Unpostable Code 329
RC 1 - Invalid Filing
Requirements -
Payments**
- (1) UPC 329 RC 1 - Payments attempting to update or create filing requirements not consistent with existing filing requirements.
- 3.12.38.7.20.1
(01-01-2016)
**Invalid Condition - UPC
329 RC 1**
- (1) UPC 329 RC 1 - Occurs when an input transaction is attempting to update filing requirements or to create a tax module, which is inconsistent with the current filing requirements.
- 3.12.38.7.20.2
(01-01-2016)
**Correction Procedure -
UPC 329 RC 1**
- (1) Forward payments less than one year old to Unidentified. If more than one year old forward the payments to Excess Collections.
- 3.12.38.7.21
(01-01-2016)
**Unpostable Code 329
RC 4 - Filing
Requirements Mismatch**
- (1) UPC 329 RC 4 - Erroneous Form 940 filing.
- (2) Indian Tribal Government returns that may elect to be exempt from FUTA tax for tax years 200012 and subsequent.
- 3.12.38.7.21.1
(01-01-2016)
**Invalid Condition - UPC
329 RC 4**
- (1) UPC 329 RC 4 - Occurs when there is an erroneous Form 940 filing.
- 3.12.38.7.21.2
(01-01-2016)
**Correction Procedure -
UPC 329 RC 4**
- (1) UPC 329 RC 4 - Reject using Action Code 640.
- (2) Prepare Form 3465.
- (3) Send Form 3465, Adjustment Request, and the return to the Accounts Management function and indicate in the remarks section "Possible Form 940 erroneous filing".
- 3.12.38.7.22
(01-01-2016)
**Unpostable Code 329
RC 9 - Filing
Requirements Issue**
- (1) UPC 329 RC 9 - Erroneous Form 990-C filing.
- 3.12.38.7.22.1
(01-01-2016)
**Invalid Condition - UPC
329 RC 9**
- (1) UPC 329 RC 9 - Occurs when there is an erroneous Form 990-C filing.
- 3.12.38.7.22.2
(01-01-2016)
**Correction Procedure -
UPC 329 RC 9**
- (1) UPC 329 RC 9 - Convert from Form 990-C to Form 1120-C and renumber.
- (2) Change form number to 1120-C and change Line 20c to 20.
- (3) Page 3, Schedule J - edit "Pg 4" in the left margin of Sch J,

- Line out Line 2a,
- Change Line 3 to 2,
- Change Line 4 to 3,
- Change Line 6a to 5a,
- Change line 7 to 6, and
- Line out Line 8.

(4) Page 4, Schedule L - delete the Balance Sheet.

(5) Page 5, Schedule N - Edit “Pg 4” and “Sch K” in the left margin of Sch N,

- Line out Line 1,
- Line out Line 2,
- Edit “2a” in the left margin and next to it, edit the NAICS Code from page 1, Box A,
- Line out Line 3,
- Line out Line 7, and
- Line out Line 12.

3.12.38.7.23
(01-01-2016)
**Unpostable Code 331
RC 1 - Return Liability
and Assessment
Inconsistent**

(1) UPC 331 - This condition occurs when there is a Return Liability and Assessment Inconsistency.

3.12.38.7.23.1
(01-01-2016)
**Invalid Condition - UPC
331 RC 1**

(1) UPC 331 RC 1 - Math error returns and no math error notice code, unless return contains Computer Condition Code “Q”.

3.12.38.7.23.2
(01-01-2016)
**Correction Procedure -
UPC 331 RC 1**

(1) UPC 331 RC 1, Form 706 or 709 - If the tax period is 7701 and prior, manually verify and enter Computer Condition Code (CCC) “Q”.

(2) UPC 331 RC 1, Form 720 - Review return to determine the math error condition and assign the appropriate Taxpayer Notice Code (TPNC).

3.12.38.7.24
(01-01-2016)
**Unpostable Code 331
RC 3 - Return Liability
and Assessment
Inconsistent**

(1) UPC 331 RC 3 - A non-math error on Forms 940, 941, and/or 943 in which the total tax settlement amount field differs from the computed amount.

3.12.38.7.24.1
(01-01-2016)
**Invalid Condition - UPC
331 RC 3**

(1) UPC 331 RC 3 - A non-math error on Forms 940, 941, and/or 943 in which the total tax settlement amount field differs from the computed amount.

WHERE AND HOW NON-MATH ERRORS ARE CALCULATED

Form 941 - The sum of Adjusted Total of Social Security Tax, Adjusted Total Tax Withheld, and Adjusted Total Backup Withholding (199312 and prior).

Form 943 - The sum of Social Security Tax, Medicare Tax, Withholding Tax, and Adjustment to Tax.

Form 940 - The difference between Total Wages time XX% and (Allowable Service Center Credit (Tentative Credit).

- 3.12.38.7.24.2
(01-01-2016)
**Correction Procedures -
UPC 331 RC 3**
- (1) UPC 331 RC 3 - If correcting Form 940, verify total tax and if necessary:
- Assign appropriate Taxpayer Notice Code(s).
- (2) UPC 331 RC 3 - If correcting Form 941 or Form 943, verify total tax and if necessary:
- Assign appropriate Taxpayer Notice Code(s).
- 3.12.38.7.25
(01-01-2016)
**Unpostable Code 331
RC 4 - Return Liability
and Assessment
Inconsistent**
- (1) UPC 331 RC 4 - Occurs when Computer Condition Codes (CCC) “E” and “F” are present on the certain returns.
- (2) UPC 331 RC 4 - Occurs when a 941 has an entry Field 02XMT and the tax period is 2012 or earlier.
- Note:** This is temporary until programming is corrected.
- 3.12.38.7.25.1
(01-01-2016)
**Invalid Condition - UPC
331 RC 4**
- (1) UPC 331 RC 4 - Occurs when Computer Condition Codes (CCC) “E” and “F” are present on the following returns:
- Form 940
 - Form 941 or Form 943
 - Form 720
- (2) UPC 331 RC 4 - Occurs when a 941 has an entry Field 02XMT and the tax period is 2012 or earlier.
- 3.12.38.7.25.2
(01-01-2016)
**Correction Procedures -
UPC 331 RC 4**
- (1) UPC 331 RC 4, Form 940 - Determine if the return is a “Final” or “Credit Elect” return, if so:
- Delete the Computer Condition Code (CCC) “E” and/or Computer Condition Code (CCC) “F.”
- (2) UPC 331 RC 4 - 941 with an entry in Field 02XMT and a tax period of 2012 or earlier:
- If the tax period is correct, delete the entry in Field 02XMT.
- (3) UPC 331 RC 4, Form 941 or Form 943 - Determine if the return is a “Final” or “Credit Elect” return, if so:
- Delete the Computer Condition Code (CCC) “E” and/or Computer Condition Code (CCC) “F.”

- (4) UPC 331 RC 4, Form 720 - Determine if the return is a “Final” or “Credit Elect” return, if so:

 - Delete the Computer Condition Code (CCC) “E” and/or Computer Condition Code (CCC) “F.”

- 3.12.38.7.26
(01-01-2016)
Unpostable Code 331 RC 5 - Return Liability and Assessment Inconsistent

(1) UPC 331 RC 5 - Occurs when there are Forms 1120 (excluding 1120-S) or 990C with a Computer Condition Code (CCC) of “F,” and a significant Credit Elect.

- 3.12.38.7.26.1
(01-01-2016)
Invalid Condition - UPC 331 RC 5

(1) UPC 331 RC 5 - Occurs when there is a CCC “F” and a significant Credit Elect field is present on the following returns:

 - Form 1120s (excluding 1120-S)
 - Form 990-C

- 3.12.38.7.26.2
(01-01-2016)
Correction Procedures - UPC 331 RC 5

(1) UPC 331 RC 5 - Form 1120 (excluding 1120-S):

 - Re-input as a possible program problem.

(2) UPC 331 RC 5 - Form 990-C:

 - Re-input as a possible program problem.

- 3.12.38.7.27
(01-01-2016)
Unpostable Code 334 RC 7 - for doc code 51

(1) UPC 334 RC 7 - TC 290, TC 300 or TC 370 attempting to post to a Federal Account (Employment Code = F) carrying a manual Penalty and Interest type transaction.

- 3.12.38.7.27.1
(01-01-2016)
Invalid Condition - UPC 334 RC 7

(1) A TC 290, TC 300, or TC 370 attempts to post carrying a TC 160, 170, 180, 190, 234, 270, 280, 340, or 770, or penalty reference number 500 through 689, or 780-781 when the Employment Code equals A or F.

- 3.12.38.7.27.2
(01-01-2016)
Correction Procedures - UPC 334 RC 7

(1) Cancel DLN and void document back to the originator.

- 3.12.38.7.28
(01-01-2016)
Unpostable Code 363 RC 5 TC 150 for MFT 67

(1) UPC 363 TC 5 - TC 150 for MFT 67.

- 3.12.38.7.28.1
(01-01-2016)
Invalid Condition - UPC 363 RC 5

(1) A TC 150 for MFT 67 attempts to post when the **asset code** is 1-9, **type of organization** is other than 9, **Non-PF reason code** is 10, and the **type of supporting organization boxes** on Schedule A, line 11 are blank or more than one box is checked.

- 3.12.38.7.28.2
(01-01-2016)
**Correction Procedures -
UPC 363 RC 5**
- (1) If Schedule A, line 11 is blank, Unpostables will request that Rejects correct the Non-PF reason code to 11, which is the default.
 - (2) If Unpostables corresponds and receives a reply, they will edit the correct Non-PF code in the right margin on Schedule A, Part I by lines 1 - 2. UP will request Rejects add all line items of Schedule A, the Non-PF Code, the Correspondence Received Date, and the Correspondence Code 21.
 - (3) If Unpostables corresponds and receives no reply, they will request Rejects add the Non-PF code default, which is 11, and the correspondence code 24.
 - (4) If the Non-PF code is 10 and another box is checked. UP will request that Rejects correct the Non-PF code.
- 3.12.38.7.29
(01-01-2016)
**Unpostable Code 385
RC 1 - TC 370 (Doc
Code 51)**
- (1) UPC 385 RC 1 - TC 370 (Doc Code 51).
- 3.12.38.7.29.1
(01-01-2016)
**Invalid Condition - UPC
385 RC 1**
- (1) UPC 385 RC 1 - Occurs when a TC 370, Doc Code 51 (Blocking Series 699) attempts to post with a secondary transaction code other than 19X, 5XX, 6XX, or 7XX.
- 3.12.38.7.29.2
(01-01-2016)
**Correction Procedures -
UPC 385 RC 1**
- (1) UPC 385 RC 1 - Correct erroneous transaction code.
 - (2) If unable to determine the correct transaction code, contact originator for disposition of the document.
- 3.12.38.7.30
(01-01-2016)
**Unpostable Code 490
RC 3 - Invalid Tax Period**
- (1) UPC 490 RC 3 - A transaction attempting to post to an invalid tax period.
- 3.12.38.7.30.1
(01-01-2016)
**Invalid Condition - UPC
490 RC 3**
- (1) Any MFT 04 transaction attempting to post to a tax module with a tax period later than 199712.
 - (2) Any TC 150 transaction blocked other than 400 - 439 attempting to post to MFT 04 with a tax period between 199503 and 199712.
 - (3) Any MFT 61, Form 11, Special Tax Return and Application for Registry, attempting to create a tax module for a tax period 198707 or subsequent.
- 3.12.38.7.30.2
(01-01-2016)
**Correction Procedures -
UPC 490 RC 3**
- (1) Use the following table to resolve the unpostable condition:

If	Then
Any MFT 04 transaction attempting to post to a tax module with a tax period later than 199712,	Cancel the DLN and route the document to the originator. If unable to determine the originator, route the document to be re-filed in its original block.
The unpostable is not MFT 04 and is a Doc Code 49/77,	Cancel the DLN and route the document to the originator. If unable to determine the originator, route the document to be re-filed in its original block.
The unpostable is a TC 150 transaction blocked other than 400-439 for MFT 04 with a tax period between 199503 and 199712,	Renumber the returns using blocking series 400-439.
The transaction is a TC 150 for MFT 61 Form 11, Special Tax Return and Application for Registry.	Cancel DLN and ship to ATF: Bureau of Alcohol, Tobacco and Firearms; Federal Office Building Room 6510A; 550 Main Street; Cincinnati, Ohio 45202; Attention: Karen Kelly

3.12.38.7.31 (09-09-2019) (1) UPC 491 RC 2 - Form 720 - Missing Abstract Number
Unpostable Code 491 RC 2 - Abstract Number

3.12.38.7.31.1 (09-09-2019) (1) Valid abstract numbers are “000” with significant amount **OR** “001” through “009”.
 (2) Use the following table to resolve the unpostable condition:
Correction Procedure UPC 491 RC 2

If	Then
Valid abstract number can be determined,	Correct abstract number Note: Valid numbers are “000” through “009”.
Valid abstract number cannot be determined,	Input abstract number 80.

3.12.38.7.32 (02-27-2019) (1) UPC 492 RC 2 - Miscellaneous Conditions.
Unpostable Code 492 RC 2 - Miscellaneous Conditions

3.12.38.7.32.1 (02-27-2019) (1) UPC 492 RC 2 - Occurs when:
Invalid Conditions - UPC 492 RC 2

- a. Master File Tax Class (MFT) 02, TC 150, Document Code 07, **Form 1120-FSC**, U.S. Income Tax Return of a Foreign Sales Corporation, if the tax period is prior to 198501.
- b. MFT 02/05/06/34/44 CCC=J coded return and no TC 971 AC 114 (Net Section 965 Tax Liability) is present.
- c. MFT 02/05/06/34/44 CCC=J coded return and TC 971 AC 115 (Deferred Tax) field is greater than the TC 971 AC 114 (Net Section 965 Tax Liability) field.
- d. TC 971 AC 115 (Deferred Tax) field is greater than 14 digits or has been input incorrectly.
- e. MFT 02/05/06/34/44 non CCC=J coded return and there is a TC 971 AC 114 (Net Section 965 Tax Liability) present.
- f. TC 610/611/612/640/641/642/660/661/662/670/671/672/680/681/682/690/691/692 with a DPC 64 attempting to post to an MFT other than 02/05/06/34/44.

3.12.38.7.32.2
(02-27-2019)
Correction Procedure
UPC 492 RC 2

- (1) Form 1120-S and Form 1065 - A TC 971 AC 114 to zero "0" will automatically generate if CCC "J" is present. See specific instructions in IRM 3.12.217 and IRM 3.12.15.
- (2) New fields have been created for the forms listed below: See specific instructions in IRM 3.12.14 and IRM 3.12.251.
 - Form 1041, and Form 1041-N.
 - Form 1120, Form 1120-C, Form 1120-L, Form 1120-PC, Form 1120-REIT, and Form 1120-RIC.
- (3) Form 990-T and Form 990-PF - The TC 971 AC 114/115 must be entered manually. See instructions in paragraphs (4), (5), and (6).
- (4) UPC 492 RC 2 - Examine return to determine if a TC 971 AC 114 and/or AC 115 needs to be input for the Section 965 Tax amount and/or Section 965 Deferred Tax amount.
- (5) If TC 971 AC 114 and/or AC 115 was input incorrectly, Input AC 114/115 for the correct amount.
 - a. Use Command code (CC) REQ77/FRM77.
 - b. Enter applicable MFT.
 - c. Enter TXPD (YYYYMM).
 - d. Enter 971 in TC field.
 - e. Enter the current date as the TRANS-DT (MMDDYYYY).
 - f. Enter tax period ending in the SECONDARY-DT field (MMDDYYYY).
 - g. Enter 114 or 115 in the TC 971/151-CD field.
 - h. Enter the corrected amount in the MISC field. If the corrected amount is zero, leave the field blank.
 - i. Enter NSD statement "Corrected Unpostable".
- (6) If TC 971 AC 115 was input in error and there is no 965 deferred tax, input TC 972 AC 115 with no money amount.
 - a. Use Command code REQ77/FRM77.
 - b. Enter applicable MFT.
 - c. Enter TXPD (YYYYMM).
 - d. Enter 972 in TC field.
 - e. Enter the current date as the TRANS-DT (MMDDYYYY).

- f. Enter tax period ending in the SECONDARY-DT field (MMDDYYYY).
- g. Enter 115 in the TC 971/151-CD field.
- h. The MISC field will be left blank because the amount is zero.
- i. Enter NSD statement "Corrected Unpostable".

3.12.38.7.33 (1) UPC 492 RC 4 - Miscellaneous Conditions.
 (01-01-2016)
**Unpostable Code 492
 RC 4 - Miscellaneous
 Conditions**

3.12.38.7.33.1 (1) UPC 492 RC 4 - Occurs when any TC 610 with document code not equal to
 (01-01-2016) Doc Code 34.
**Invalid Condition - UPC
 492 RC 4**

3.12.38.7.33.2 (1) UPC 492 RC 4 - Cancel the DLN and prepare a new Form 3244 document to
 (01-01-2016) post the TC 610 with the correct DLN.
**Correction Procedure -
 UPC 492 RC 4**

3.12.38.7.34 (1) UPC 495 RC 1 - Miscellaneous Conditions.
 (01-01-2016)
**Unpostable Code 495
 RC 1 - Miscellaneous
 Conditions**

3.12.38.7.34.1 (1) UPC 495 RC 1 - Occurs when a transaction attempts to update the primary
 (01-01-2016) name and the sum of the character counts does not equal the actual length of
Invalid Condition - UPC the new primary name.
495 RC 1

3.12.38.7.34.2 (1) UPC 495 RC 1 - Re-input the document.
 (01-01-2016)
**Correction Procedure -
 UPC 495 RC 1**

3.12.38.7.35 (1) UPC 495 RC 2 - Miscellaneous Conditions.
 (01-01-2016)
**Unpostable Code 495
 RC 2 - Miscellaneous
 Conditions**

3.12.38.7.35.1 (1) UPC 495 RC 2 - Occurs when a transaction attempts to establish a tax module
 (01-01-2016) for MFT 58.
**Invalid Condition - UPC
 495 RC 2**

3.12.38.7.35.2 (1) UPC 495 RC 2 - Cancel the DLN and route to Accounts Management request-
 (01-01-2016) ing they correspond with the taxpayer to determine the correct form or period
Correction Procedure - that should be filed.
UPC 495 RC 2

- 3.12.38.7.36
(01-01-2016)
**Unpostable Code 495
RC 3 - Miscellaneous
Conditions**
- (1) UPC 495 RC 3 - Miscellaneous Conditions.
- 3.12.38.7.36.1
(01-01-2016)
**Invalid Condition - UPC
495 RC 3**
- (1) UPC 495 RC 3 - Occurs when a transaction attempts to establish a tax module for MFT 51 (Form 709) with the month ending other than 12.
- 3.12.38.7.36.2
(01-01-2016)
**Correction Procedure -
UPC 495 RC 3**
- (1) UPC 495 RC 3 - Cancel the DLN and route to Accounts Management requesting they correspond with the taxpayer to determine the correct form or period that should be filed.
- 3.12.38.7.37
(01-01-2016)
**Unpostable Code 496
RC 3 - Miscellaneous
Conditions**
- (1) UPC 496 RC 3 - Miscellaneous Conditions.
- 3.12.38.7.37.1
(01-01-2016)
**Invalid Condition - UPC
496 RC 3**
- (1) UPC 496 RC 3 - Transaction input for Form 11B (MFT 62).
- 3.12.38.7.37.2
(01-01-2016)
**Correction Procedure -
UPC 496 RC 3**
- (1) UPC 496 RC 3 - If TC 150:
- Cancel DLN and void the return.
- (2) If TC 610, route Form 3244 to Unidentified.
- (3) All other payments, route to Unidentified.
- 3.12.38.7.38
(01-01-2016)
**Unpostable Code 496
RC 4 - Miscellaneous
Conditions**
- (1) UPC 496 RC 4 - Miscellaneous Conditions.
- 3.12.38.7.38.1
(01-01-2016)
**Invalid Condition - UPC
496 RC 4**
- (1) UPC 496 RC 4 - When a transaction (other than TC 99X) is input with an invalid File Location Code (FLC) in the DLN.
- 3.12.38.7.38.2
(01-01-2016)
**Correction Procedure -
UPC 496 RC 4**
- (1) UPC 496 RC 4 - Renumber with the proper File Location Code.

- 3.12.38.7.39 (01-01-2016)
Unpostable Code 497 RC 1 and 5 - Miscellaneous Conditions
- (1) UPC 497 RC 1 - Returned refund with no Reason for Cancellation.
 - (2) UPC 497 RC 5 - Miscellaneous Conditions.
- 3.12.38.7.39.1 (01-01-2016)
Invalid Condition - UPC 497 RC 1
- (1) A returned refund check record (TC 740/841), on Form 3245, which does not contain a 1, 2, 3, 8 or 9 in the Reason for Cancellation field.
- 3.12.38.7.39.2 (01-01-2016)
Correction Procedures - UPC 497 RC 1
- (1) Void the DLN and route the document to Accounting for the 4970 Account.
- 3.12.38.7.39.3 (01-01-2016)
Invalid Condition - UPC 497 RC 5
- (1) UPC 497 RC 5 - A non "G" coded TC 150 with RPS Indicator of "2" and amount present in the remittance field.
- 3.12.38.7.39.4 (01-01-2016)
Correction Procedure - UPC 497 RC 5
- (1) UPC 497 RC 5 - Re-input return without RPS indicator.
- 3.12.38.7.40 (01-01-2016)
Unpostable Code 499 RC 1 - Miscellaneous Conditions
- (1) UPC 499 RC 1 - Miscellaneous Conditions.
- 3.12.38.7.40.1 (01-01-2016)
Invalid Condition - UPC 499 RC 1
- (1) UPC 499 RC 1 - A return with MFT 09, 36, or 50 (CT-1, 1041-A, 4720) contains address change data.
- 3.12.38.7.40.2 (01-01-2016)
Correction Procedures - UPC 499 RC 1
- (1) UPC 499 RC 1 - If a better address is found:
 - Input new address provided by Unpostables.
- 3.12.38.7.41 (01-01-2016)
Unpostable Code 499 RC 2 - Miscellaneous Conditions
- (1) UPC 499 RC 2 - Miscellaneous Conditions.
- 3.12.38.7.41.1 (01-01-2016)
Invalid Condition - UPC 499 RC 2
- (1) UPC 499 RC 2 - Occurs when a Form 709A, 990, 990EZ, 1041-A, or 1065 is processed with a liability.

- 3.12.38.7.41.2 (1) UPC 499 RC 2 - Remove the liability and continue to process.
(01-01-2016)
**Correction Procedure -
UPC 499 RC 2**
- 3.12.38.7.42 (1) UPC 499 RC 5 - Miscellaneous Conditions.
(01-01-2016)
**Unpostable Code 499
RC 5 - Miscellaneous
Conditions**
- 3.12.38.7.42.1 (1) UPC 499 RC 5 - Occurs when a transaction is processed containing money in
(01-01-2016) a field that should be zero.
**Invalid Condition - UPC
499 RC 5**
- 3.12.38.7.42.2 (1) UPC 499 RC 5 - Correct the document and continue processing.
(01-01-2016)
**Correction Procedure -
UPC 499 RC 5**

Exhibit 3.12.38-1 (01-01-2024)

◆ Action Codes ◆

- **CE** = Code & Edit;
- **EC** = Error Correction;
- **S** = Suspense Correction;
- **GEN** = Computer Generated

ACTION CODES

Action Code	Description	Workday Suspense Period	Function Used In	Valid Command Code
001	Input Document	0	GEN	---
210	EPMF Correspondence	60	EC, S	SSPND
211	First Correspondence	40	CE, EC, S	SSPND
212	Second Correspondence	25	CE, EC, S	SSPND
213	Correspondence to other than Taxpayer	40	CE, EC, S	SSPND
215	Foreign Correspondence (FOD)	45	CE, EC, S	SSPND
216	2nd Taxpayer Correspondence International	45	CE, EC, S	SSPND
217	International Correspondence ACA	45	CE, EC, S	SSPND
220	EPMF Correspondence Input	11	CE, EC, S	SSPND
224	First Correspondence (C&E By-pass)	40	CE, EC, S	SSPND
225	Taxpayer Correspondence (Signature Only)	40	CE, EC, S	SSPND
226	International Correspondence (Signature Only)	40	CE, EC, S	SSPND
230	ID Theft	60	CE, EC, S	SSPND
231	ID Theft Assistance Note: Due to processing delays in 2023 - 2020, AC 231 (replaced 211, 212, 215, 216, 225 and 226) was used to provide more suspense time in Rejects for correspondence.	80	CE, EC, S	SSPND
232	ID Theft Research Note: Due to processing delays in 2023 - 2020, AC 231 (replaced 211, 212, 215, 216, 225 and 226) was used to provide more suspense time in Rejects for correspondence.	85	CE, EC, S	SSPND
300	Examination (Fuel Tax Credit)	10	CE, EC, S	SSPND
310	Statute Control	10	CE, EC, S	SSPND

Exhibit 3.12.38-1 (Cont. 1) (01-01-2024)**◆ Action Codes ◆**

Action Code	Description	Workday Suspend Period	Function Used In	Valid Command Code
320	Entity Control	10	CE, EC, S	SSPND
321	Entity Control MeF	10	EC,S	SSPND
322	FIRPTA verification needed 1120-F only	10	CE, S	SSPND
331	Frivolous Review	3	CE, EC	SSPND
332	QRDT (Questionable Refund Detection Team) Review	3	CE, EC	SSPND
333	Prompt Audit	10	CE, EC, S	SSPND
334	Joint Committee	10	CE, EC, S	SSPND
335	Frivolous Case	10	CE, EC, S	SSPND
336	QRDT Case	10	CE, EC, S	SSPND
337	Other CID (Criminal Investigation Division)	10	CE, EC, S	SSPND
341	Manual Refund	10	CE, EC, S	SSPND
342	Credit Verification	10	CE, EC, S	SSPND
343	Black Liquor	10	CE, EC, S	SSPND
344	Manual Refund by ERS	0	EC	SSPND
345	1120F - MeF Total Tax Math Error	0	GEN	---
346	1120F - MeF Balance Due Error	0	GEN	---
347	Form 2553 to Entity	20	EC, S	SSPND
351	TIN Research	0	EC, S	SSPND
352	Name Research	3	CE, EC, S	SSPND
353	Address Research	3	CE, EC, S	SSPND
354	Filing Requirement Research	3	CE, EC, S	SSPND
355	Other MFTRA Research	5	CE, EC, S	SSPND
360	Other In-House Research	10	CE, EC, S	SSPND
370	Examination (Fuel Tax Credit)	10	CE, EC, S	SSPND
390	Schedule A Reprocess through GPP	7	EC	SSPND
410	Technical Assistance	0	EC	SSPND
420	Management Suspend - A	5	CE, EC, S	SSPND
430	Management Suspend - B	10	CE, EC, S	SSPND

Exhibit 3.12.38-1 (Cont. 2) (01-01-2024)

◆ Action Codes ◆

Action Code	Description	Workday Suspense Period	Function Used In	Valid Command Code
440	Management Suspense - C (LB&I review of F1120-F returns - OSPC Only)	15	CE, EC, S	SSPND
450	Management Suspense D Note: Action Code "450" is used to identify Elective Payment Election (EPE) and Credit Transfers for processing under the Inflation Reduction Act (IRA) of 2022 and applies to tax period 202201 through 202212.	20	CE, S	SSPND
460	Management Suspense E	25	CE, EC, S	SSPND
470	Complex Error Codes	0	EC, S	SSPND
471	Suspense Code and Edit Bypass	2	CE, EC, S	SSPND
480	Early Filed Suspense	150	CE, EC, S	SSPND
490	System Problem	5	EC, S	SSPND
491	Systemic Problem	10	EC, S	SSPND
492	Complex Systemic Issue	15	EC, S	SSPND
493	Complex Systemic Issue	20	EC, S	SSPND
494	Complex Systemic Issue	25	EC, S	SSPND
495	Complex Systemic Issue	30	EC, S	SSPND
496	Complex Systemic Issue	35	EC, S	SSPND
497	Complex Systemic Issue	40	EC, S	SSPND
498	Complex Systemic Issue	45	EC, S	SSPND
499	Complex Systemic Issue	50	EC, S	SSPND
510	Missing Document	0	CE	---
511	Missing Document - 1st Suspense	25	EC, S	SSPND
512	Missing Document - 2nd Suspense	20	S	SSPND
513	Missing Document - 3rd Suspense	20	S	SSPND
515	Missing Document - Short Term	5	EC, S	SSPND
550	Magnetic Tape Attachments	0	CE,	---
551	Magnetic Tape Inconsistent Data	0	CE	---

Exhibit 3.12.38-1 (Cont. 3) (01-01-2024)

◆ Action Codes ◆

Action Code	Description	Workday Suspend Period	Function Used In	Valid Command Code
560	ETEC - Form 720 tax <\$1 million and Part III, Line 4 "Claims" has a value.	0	GEN	---
570	ETEC - Form 720 tax > \$ 1 million and Part III, Line 4 "Claims" does not have a value.	0	GEN	---
580	ETEC - Form 720 has a value >\$1 million and Part III, Line 4 has a value.	0	GEN	---
610	Re-number	0	CE, EC, S	SSPND, NWDLN
611	Remittance Re-number	0	CE, EC, S	SSPND, NWDLN
620	ANMF/Non-ADP	0	CE, EC, S	SSPND, RJECT, NWDLN
630	Re-Entry	0	EC, S	SSPND, RJECT
640	Void	0	CE, EC, S	SSPND, RJECT, NWDLN
650	International (ACI)	0	CE, EC, S	SSPND, RJECT, NWDLN
660	Data Control Delete (TEP Delete)	0	CE, EC, S	RJECT, NWDLN
670	Rejected Missing Documents	0	S	RJECT, NWDLN
700	Duplicate Document DLN	0	S	---
711	Duplicate Document DLN from Code & Edit	NA	GEN	---
712	Duplicate Document DLN from Error Correction	NA	GEN	---
713	Duplicate Document DLN from Unpostables	NA	GEN	---
714	Duplicate Document DLN from Unworkable Suspend	NA	GEN	---
715	Duplicate Document DLN from Workable Suspend	NA	GEN	---
800	NAP Linkage Problem	2	GEN	---
900	Unpostable Record	0	GEN	---

Exhibit 3.12.38-2 (01-01-2016)
Action Codes on Error/Reject Registers

The following table is the **USE OF ACTION CODES ON ERROR/REJECT REGISTERS**

ACTION CODES	USED TO
0	Accept Taxpayer Math Computation
1	Assign Taxpayer Notice Code
2	Delete, Re-enter or Re-number. Must be followed by a disposition code:
3	Move record from Error Correction to Reject status. Used only for Error Registers
4	Delete any section except 01.
5	Add a section in sequential order.
6	Correct field(s) in a section.
7	Indicates all data is correct.
9	Return a Reject Loop Register to RAW status. Used only for Reject Registers

Action Code 0, 1, 2, 3, 7, or 9 **must be used alone** on a register. Action Codes 4, 5, and 6 may be used in any combination.

USED ONLY FOR IRP AND REJECT REGISTERS
D = Delete from Reject Inventory
R = Re-Enter with the Current DLN
N = Re-number the Document

Exhibit 3.12.38-3 (02-18-2022)
ERS Status Codes (Inventory)

Access inventory columns with CC ERVOL

ERS STATUS CODES

Error #	Definition
1XX	The record is in Error Inventory
1QA	Worked error record held for review
100	Unworked error record
2XX	Records are waiting for more information to be received. These records are in Unworkable Suspense Inventory.
221	Taxpayer correspondence has been sent.
222	2nd Correspondence
223	Taxpayer correspondence has been sent.
224	Taxpayer correspondence has been sent.
225	Signature
230	The document was referred to Examination (Fuel Tax Credit)
231	The document was referred to Statute Control.
232	The document was referred to Entity Control.
233	The document was referred to Criminal Investigation.
234	The document was referred to Accounting or Entity (Form 2553)
235	MFTRA research.
236	The document was referred to another area.
237	The document was referred to Examination.
242	Management Suspense - A
243	Management Suspense - B
244	Management Suspense - C
245	Management Suspense - D
246	Management Suspense - E
248	Early Filed Suspense
249	System Problem
251	Missing Document
255	Magnetic Tape Return
280	NAP Linkage Problem

Exhibit 3.12.38-3 (Cont. 1) (02-18-2022)
ERS Status Codes (Inventory)

Error #	Definition
3XX	The suspense period has expired with no response for more information. These records have been automatically transferred from Unworkable to Workable Suspense.
3QA	Worked suspense record held for review.
321	Taxpayer correspondence has been sent.
322	Taxpayer 2nd correspondence has been sent.
324	Taxpayer correspondence has been sent and no reply.
325	Taxpayer correspondence has been sent and no reply.
330	The document was referred to Examination (Fuel Tax Credit).
331	The document was referred to Statute Control.
332	The document was referred to Entity Control.
333	The document was referred to Criminal Investigation.
334	The document was referred to Accounting or Entity (Form 2553).
335	MFTRA research.
336	The document was referred to another area.
337	The document was referred to Examination.
342	Management Suspense - A
343	Management Suspense - B
344	Management Suspense - C
345	Management Suspense - D
346	Management Suspense - E
348	Early Filed Suspense
349	System Problem
351	Missing Document
355	Magnetic Tape Return
380	NAP Linkage Problem
4XX	All information to resolve the record is available or some information has been received and more action is to be taken. These records either came directly to the Workable file or were activated with CC ACTVT.
4QA	Worked suspense record held for review.
400	Input Document
421	Taxpayer correspondence received.
424	Taxpayer reply received.

Exhibit 3.12.38-3 (Cont. 2) (02-18-2022)
ERS Status Codes (Inventory)

Error #	Definition
425	Taxpayer reply received.
430	The document had been referred to Examination (Fuel Tax Credit).
431	The document had been referred to Statute Control.
432	The document had been referred to Entity Control.
433	The document had been referred to Criminal Investigation.
434	The document has been referred to Accounting or Entity (Form 2553).
435	MFTRA research was received.
436	The document had been referred to another area.
437	The document had been referred to Examination.
441	Technical Assistance is needed.
442	Management Suspense - A
443	Management Suspense - B
444	Management Suspense - C
445	Management Suspense - D
446	Management Suspense - E
447	Complex Error Code
448	Early Filed Suspense
449	System Problem
451	Missing Document was found.
455	Magnetic Tape Return
461	Record for re-numbering rejection and re-entry.
462	ANMF and Non-ADP Record
463	Record for re-entry.
464	Record for void
465	International Record
470	Record with duplicate block DLN.
480	NAP Linkage Problem
490	Unpostable Record.
900	Unselected inventory waiting to be loaded from the ERS01 file prior to selection for the real time ERS system.

Exhibit 3.12.38-3 (Cont. 3) (02-18-2022)
ERS Status Codes (Inventory)

Error #	Definition
999	Overflow Condition occurs when the total workable inventory exceeds capacity. When in this status the record is not accessible, except for research using CC ERINV.

Exhibit 3.12.38-4 (01-01-2016)**Rejecting Records and Researching ERS Inventory****REJECT**

Used to delete a record from ERS and requires a valid action code. Overlay GTREC response screen as: RJECT XXX.

Code	Definition	Valid on Non Remit	Valid on Remit
620	ANMF/Non-ADP	yes	no
630	Re-Entry	yes	yes
640	Void	yes	no
651	International	yes	no
660	TEP Delete (Data control)	yes	yes
670	Rejected Missing Document	yes	no

ERVOL

Used to check the volume of workable records using a status code. ERVOL is not intended to be a substitute for the various ERS reports.

Status Code	Purpose
ERVOL 421	To research by a specific status (e.g., activated correspondence).
ERVOL 3XX	To obtain the total number of records in expired suspense.
ERVOL 4XX	To obtain the total number of records transferred to workable suspense.

ERINV

Used to access a document or block that is present in the ERS Control File.

ERINV Format	Purpose
ERINV 00212-115-00645-X	To access a specific record in ERS inventory by individual DLN.
ERINV 00212-1150-006XX-X	To access all documents within a block in ERS inventory.
ERINV 000004656	To access all documents with a specific TIN in ERS inventory.

Note: ERINV with Definer C will display the check box information.

Exhibit 3.12.38-5 (01-01-2025)
BMF, EPMF, and ANMF Reference Chart

Refer to IRM 3.10.73 for any missing forms/documents.

TAX CLASS-DOCUMENT CODES-MFT CODES-PROGRAM CHART

DOCUMENT	TAX CLASS	DOC. CODE	MFT CODE	PROGRAM
11C	4	03	63	12700
706	5	06	52	12401
706NA	5	05	52	12401
706GS(D)	5	59	78	12403
706GS(T)	5	29	77	12404
709	5	09	51	12042
709A (2003 and prior)	5	08	51	12402
709NA (202401 and later)	5	08	51	12410
720	4	20	03	11800
730	4	13	64	12700
940	8	40	10	11100
940EZ	8	38	10	11110
941	1	41	01	11200
941E (1994 and prior) (NA)	1	46	01	11200
942 (1995 and prior) (NA)	1	42	04	11400
943	1	43	11	11600
944	1	49	14	11650
945	1	37, 44, 97	16	11250
990 (2007 and prior)	4	90	67	13110
990EZ (2007 and prior)	4	09	67	13120
990EZR (2008 and subsequent)	4	92	67	13420
990N	4	89	67	13350
990PF	4	91	44	13130
990R (2008 and subsequent)	4	93	67	13410
990T	3	93	34	13140
1041	2	44	05	11900
1041A	4	81	36	13160
1041ES	2	17	05	11920
1041 QFT/1041-N	2	39	05	11910
1042 (1985 and subsequent)	1	25	12	12500

Exhibit 3.12.38-5 (Cont. 1) (01-01-2025)
BMF, EPMF, and ANMF Reference Chart

DOCUMENT	TAX CLASS	DOC. CODE	MFT CODE	PROGRAM
1065	2	65	06	12200
1066	3	60	07	12201
1120	3	10, 11	02	11500
1120A	3	09	02	11510
1120C	3	03	02	11540
1120F	3	66, 67	02	11500
1120FSC	3	07	02	11500
1120H	3	71	02	11500
1120L	3	11	02	11500
1120ND	3	08	02	11500
1120PC	3	13	02	11500
1120POL	3	20	02	11500
1120REIT	3	12	02	11500
1120RIC	3	05	02	11500
1120-S	3	16	02	12100
1120-SF	3	06	02	11500
1120X	3	10, 54	02	14400
2290	4	95	60	12300
3520	3	83	68	12310
3520A	3	82	42	12320
4720	4	71	50	13160
5227	4	83	37	13130
5330	4	35	76	15560/15660
5558	4	04	76	15560/15660
5578	9	84	67	13160
5768	9	77	67	15500
7004	2	04	05, 06, 08, 12, 42, 77, 78	11700
7004	3	04	02, 07, 33	11700
8038	3	61	46	13200
8038B	3	85	85	13211
8038CP	3	88	46	13200

Exhibit 3.12.38-5 (Cont. 2) (01-01-2025)
BMF, EPMF, and ANMF Reference Chart

DOCUMENT	TAX CLASS	DOC. CODE	MFT CODE	PROGRAM
8038G	3	62	46	13200
8038GC	3	72	46	13200
8038T	3	74	46	13200
8038TC	3	86	86	13211
8288	1	40	17	11330
8328	3	74	46	13200
8693	3	27	48	16200
8703	3	01	84	
8752	2	23	15	19000
8804	1	29	08	11340
8805	5	46	08	71770
8823	3	28	48	16300
8868	4	04	34, 36, 37, 44, 50, or 67	15540
8868 (e-File)	4	04	34, 36, 37, 44, 50, or 67	15550
8871	4	61	49	16010
8872	4	62	49	16010
8892	9	77	51	15500
CT-1	7	11	09	11300
CREDIT TRANSFERS (Revenue Receipts)	1, 2, 3, 4, 5, 7, 8, 0	24, 87	ALL	15500
PAYMENT DOCUMENTS	1, 2, 3, 4, 5, 7, 8, 0	17, 18, 19, 70, 76	ALL	15500
ACCOUNTING (Non-Revenue Receipts)	1, 2, 3, 4, 5, 7, 8, 0	45, 48, 51, 58	ALL	15500
PAYMENT VOUCHERS	1, 2, 3, 4, 5, 7, 8, 0	20, 70, 76	ALL	15520
EPMF				
5500-EZ	0, 4	04	74	72840
5558 (EPMF Series Extension)	0, 4	77	74, 76	72880
ANMF				
Subsequent Payments	6	27, 28	ALL	75700

Exhibit 3.12.38-5 (Cont. 3) (01-01-2025)
BMF, EPMF, and ANMF Reference Chart

DOCUMENT	TAX CLASS	DOC. CODE	MFT CODE	PROGRAM
Advanced Payments	6	62	ALL	75700
706	6	06	53	75700
706A	6	84	53	75700
706QDT	6	85	53	75700
709	6	09	54	75700
720	6	30	45	75700
730	6	13	97	75700
940	6	40	80	75700
941	6	41	17	75700
942PY	6	42	18	75700
943	6	43	19	75700
990	6	90	67	75700
1040	6	11, 12, 21, 22	20	75700
1041	6	44	21	75700
1041A	6	81	36	75700
1042 (1985 and prior)	6	25	12	75700
1042S	6	66	12	75700
1065	6	65	35	75700
1120	6	20	32	75700
1120-IC-DISC	6	20	23	75700
1120X	6	20, 32	02	75700
2290	6	95	93	75700
8612	6	21	89	75700
8613	6	22	14	75700
CT-1	6	11	21	75700
CT-2	6	02	72	75700

Exhibit 3.12.38-6 (01-01-2019)

ERS Action Code/Command Code Chart for Deleting Records

ACTION CODE/COMMAND CODE CHART FOR DELETING RECORDS

Type	Action Code	Remittance RJECT	NWDLN	Non-Remittance RJECT	NWDLN
ReNUMBER	610				Valid for new DLN
Remittance ReNUMBER	611		Valid for new DLN or Literal*		
ANMF	620		Valid for new DLN or Literal*	Valid	
Re-Entry	630	Valid		Valid	
Void	640		Valid for DLN of 3244 or Literal*	Valid	
International	650		Valid for DLN of 3244 or Literal*	Valid	
Data Control Deletes	660	Valid		Valid	
Missing Documents	670		Valid for DLN of 3244 or Literal*	Valid	

*Literals: URF, DEPF, EXC, SMCR, WASH and OTHER

Exhibit 3.12.38-7 (01-01-2019)**ERS Renumbering and Activating Unworkable Suspense Records**

NWDLN - Use **CC GTREC** to access the record. Overlay record with **CC NWDLN** to renumber a document or to send an amount to an account with a Literal. An action code must be entered after the command code and before the new DLN or literal. Use Action Code 610 for Non-remittance or 611 for remittance documents. Action Codes 620, 640, 650 and 670 are also valid for renumbering remittance documents.

ERS RENUMBERING	TYPE
URF	Unidentified (Credits only)
DEPF	Deposit Fund
EXC	Excess Collections (PY DLNs only)
SMCR	Small Credit/Debit write-off
WASH	Washout (Both debit and credit must be WASHED the same day)
OTHER	Miscellaneous general ledger accounts

Master File Codes
1 - IMF
2 - BMF
3 - EPMF
5 - IRP
6 - NMF
Enter the new Master File Code behind the new DLN when numbering from one type of Master File to another; for example, Form 1041 numbered as Form 1040.

Examples:
NWDLN 610 79141-100-52801-8
NWDLN 611 79244-100-24000-8
NWDLN 611 URF

ACTVT - Used to activate records in unworkable suspense which are now available to work. Up to 22 records may be entered on a screen. Your response will be "TRANSFERRED", "IN WORKABLE SUSPENSE", or "NOT IN ERS".

Example:

Examples:
79840-098-12785-8
79141-112-24312-8

Exhibit 3.12.38-7 (Cont. 1) (01-01-2019)

ERS Renumbering and Activating Unworkable Suspense Records

Examples:
79310-099-48604-8

Exhibit 3.12.38-8 (01-01-2020)

◆ Potential Frivolous Return Arguments for Examination Review ◆

Potential Frivolous Arguments for Examination Review	Description
Alleged Churches/First Amendment	Income from non-religious sources and may claim a vow of poverty.
Altered form	Altering any or all line items with the intent of facilitating non-compliance with the tax laws.
Altered Jurat/UCC (Uniform Commercial Code) I -207	Return contains income and deductions but the jurat has been altered or stricken. May include reference to UCC I -207 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 filers' 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 are non-sensical, difficult to follow, and 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 3.12.38-8 (Cont. 1) (01-01-2020)

◆ Potential Frivolous Return Arguments for Examination Review ◆

Potential Frivolous Arguments for Examination Review	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 Form 1099-OID (Original Issue Discount)	<p>An individual files a return reporting false amounts of income (generally “Other” or “Miscellaneous” income) and all them claim a false amount of income tax withholding approximately equal to the amount of falsely reported income. Although the returns report income, they do not calculate any tax due. Some of the returns have Form 1099-OID attached, and some have Form 1096. Other false financial instruments may be filed in the place of or in addition to the Form 1099-OID such as Form 2439, promissory notes, bonds, sight drafts, etc.</p> <p>Caution: Some returns will need special care. If</p> <p style="text-align: right;">the locally designated basket for Examination, Frivolous Return Program (FRP) for review. Pay particular attention to returns with Form 1099-OID attached.</p>

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Exhibit 3.12.38-8 (Cont. 2) (01-01-2020)**◆ Potential Frivolous Return Arguments for Examination Review ◆**

Potential Frivolous Arguments for Examination Review	Description
IRC 861 Business Employment Tax (BMF 861)	Argument targets employers and advises them that wages are exempt from withholding. These taxpayers rely on Sections 861 through 865 of the Code and the regulations (in particular, Treasury Regulation §1.861-8), promoters of this scheme advise employers to stop withholding and paying payroll taxes on their employee's wages. In addition, some employers file amended payroll tax returns and request refunds of previously paid payroll taxes.
IRS is a Private Organization/Collects Tribute, Not Taxes	Argues that the IRS is an entity named the Internal Revenue and Tax Service, Inc., which was incorporated in Delaware in 1933, it is a collection agency for the Federal Reserve Bank, or is part of the United Nations and is clandestinely leading the 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 Man	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. vs. Long	Submits return with zero money amounts. To explain the zeros inserted on the form the individual reference. "U.S. vs. Long "

Exhibit 3.12.38-8 (Cont. 3) (01-01-2020)

◆ Potential Frivolous Return Arguments for Examination Review ◆

Potential Frivolous Arguments for Examination Review	Description
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.
Zero Returns	<p>Submits a return with zero money amounts (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.”</p> <p>Note: Returns having zeros, no entries, are blank, or indicate “None”, “Not Liable”, etc. with no evidence of frivolous arguments are not to be considered as frivolous returns.</p>
Other	<p>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.</p> <p>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 more information.</p>

Exhibit 3.12.38-9 (01-01-2023)
Form 813 with Trace ID

Clear Form		813 Document Register				B D I L L O N C K	Y R 24
Alpha Numeric S.C. Block No		<input type="checkbox"/> Perfect <input type="checkbox"/> Imperfect <input type="checkbox"/> Reject Renumber <input type="checkbox"/> Regular <input type="checkbox"/> Estimated <input type="checkbox"/> Accounting					
		Master File: <input type="checkbox"/> IMF <input checked="" type="checkbox"/> BMF <input type="checkbox"/> NMF					
Batch Ctr. Number		Count Code	Trans. Code	Date			00217-176-000
Trace ID Number	Debit Amount	Credit Amount	Serial	Trace ID Number	Debit Amount	Credit Amount	Serial
29022018100100011234		813.00	00				50
71012018010110004095		700.00	01				51
71012018010110013692		28.00	02				52
			03				53
			04				54
			05				55
			06				56
			07				57
			08				58
			09				59
			10				60
			11				61
			12				62
			13				63
			14				64
			15				65
			16				66
			17				67
			18				68
			19				69
			20				70
			21				71
			22				72
			23				73
			24				74
			25				75
			26				76
			27				77
			28				78
			29				79
			30				80
			31				81
			32				82
			33				83
			34				84
			35				85
			36				86
			37				87
			38				88
			39				89
			40				90
			41				91
			42				92
			43				93
			44				94
			45				95
			46				96
			47				97
			48				98
			49				99
Doc Count		3		Total Debit Amount		Total Credit Amount	
						1,541.00	
Remarks:				Adjustment			
Your Initials Here							
				Adjusted Total			
14 Digit Trace ID #							
Form 813 (Rev. 9-2009)		Catalog Number 16866C		Department of the Treasury—Internal Revenue Service			

Exhibit 3.12.38-10 (01-01-2020)
Related Reports

REPORT NUMBER	TITLE	Report on CTRL D
ERS 00-40	ERROR RESOLUTION END OF YEAR INVENTORY REPORT	X
ERS 01-40	ERROR RESOLUTION AVAILABLE INVENTORY REPORT	X
ERS 01-41	ERROR LIST REPORT	X
ERS 01-44	ERROR RESOLUTION ELECTRONIC FILED RETURNS LIST	X
ERS 03-40	ERROR RESOLUTION UN-SELECTED RECORDS INVENTORY	X
ERS 03-41	ERROR RESOLUTION SELECTION METHOD	X
ERS 05-40	ERROR RESOLUTION REJECTED RECORDS LIST	X
ERS 05-41	REJECTED REC CHARGE OUTS (Form 6695)	X
ERS 07-40	ERROR RESOLUTION UNWORKABLE SUSPENSE INVENTORY	X
ERS 07-41	ERROR RESOLUTION UNWORKABLE SUSPENSE INVENTORY SUMMARY	X
ERS 13-40	ERROR RESOLUTION ERROR INVENTORY	X
ERS 13-41	ERROR RESOLUTION ERROR INVENTORY SUMMARY	X
ERS 13-42	ERROR RESOLUTION WORKABLE SUSPENSE INVENTORY	X
ERS 13-43	ERROR RESOLUTION WORKABLE SUSPENSE INVENTORY SUMMARY	X
ERS 17-40	ERROR RESOLUTION NEW SUSPENSE LIST	X
ERS 17-41	NEW SUSP CHARGE OUT	
ERS 17-42	ERROR RESOLUTION DUPLICATE DOCUMENT DLN REGISTER	X
ERS 17-43	DUP DLN CHARGE OUT	
ERS 17-44	IMF INTEREST JEOPARDY REPORT - ERROR FILE	X
ERS 17-45	IMF INTEREST JEOPARDY REPORT - SUSPENSE FILE	X

Exhibit 3.12.38-10 (Cont. 1) (01-01-2020)
Related Reports

REPORT NUMBER	TITLE	Report on CTRL D
ERS 17-46	IMF INTEREST JEOPARDY REPORT SUMMARY	X
ERS 17-47	ERROR RESOLUTION INVENTORY CONTROL REPORT	X
ERS 17-48	ERROR RESOLUTION NEW SUSPENSE LIST SUMMARY	X
ERS 17-50	BMF INTEREST JEOPARDY REPORT - ERROR FILE	X
ERS 17-51	BMF INTEREST JEOPARDY REPORT - SUSPENSE FILE	X
ERS 17-52	BMF INTEREST JEOPARDY REPORT SUMMARY	X
ERS 19-40	ERROR RESOLUTION DUPLICATE DOCUMENT DLN REPORT BY INVENTORY SOURCE	X
ERS 31-40	ERROR RESOLUTION UNWORKABLE SUSPENSE AGED REPORT	X
ERS 31-41	ERROR RESOLUTION WORKABLE SUSPENSE REPORT	X
ERS 77-40	ERROR RESOLUTION PRODUCTION REPORT - ERROR CORRECTION	X
ERS 77-41	ERROR RESOLUTION PRODUCTION	X
ERS 77-42	ERROR RESOLUTION PRODUCTION REPORT - SUSPENSE CORRECTION BY PROGRAM	X
ERS 77-43	ERROR RESOLUTION PRODUCTION SUMMARY - SUSPENSE CORRECTION BY PROGRAM	X
ERS 77-44	ERROR RESOLUTION PRODUCTION REPORT - SUSPENSE CORRECTION BY STATUS	X
ERS 77-45	ERROR RESOLUTION PRODUCTION SUMMARY - SUSPENSE CORRECTION BY STATUS	X
ERS 77-46	ERROR RESOLUTION DAILY EMPLOYEE TIME REPORT	X
ERS 77-47	ERROR RESOLUTION DAILY EMPLOYEE TIME REPORT SUMMARY	X

Exhibit 3.12.38-10 (Cont. 2) (01-01-2020)

Related Reports

REPORT NUMBER	TITLE	Report on CTRL D
ERS 83-40	ERROR RESOLUTION QUALITY REVIEW REPORT	X
ERS 83-41	DAILY ERS REVIEW QUALITY REVIEW CHARGE-OUT	X
ERS 83-42	ERROR RESOLUTION QUALITY ASSURANCE HOLD REPORT	X
ERS 83-44	ERROR RESOLUTION QUALITY ASSURANCE REWORKED REPORT	X
MER 03-40	ERROR COUNT REPORT DAILY	X
MER 03-41	ERROR COUNT REPORT YEAR-TO-DATE	X
MERDAIL	ERROR COUNT REPORT ELF DAILY	X
MERYRDT	ERROR COUNT REPORT ELF YEAR-TO-DATE	X
GMF 10-40	ERROR DISPLAY RUN CONTROL REPORT	X
GMF 10-41	ERROR REGISTER RAW/LOOP	
GMF 10-42	ERROR PULL LIST RAW/LOOP/SUMMARY	
GMF 10-43	DAILY ERROR VOLUME REPORT/ SUMMARY	
GMF 11-40	REJECT REPORTS RUN CONTROL REPORT	X
GMF 11-41	REJECT RE-INPUT TRANSMITTAL	
GMF 11-42	REJECTED AGED LIST	
GMF 11-43	REJECT INVENTORY LIST (DLN Sequence)	
GMF 11-44	REJECT PULL LIST	
GMF 11-45	REJECT REGISTER RAW/LOOP	
GMF 11-46	CURRENT REJECT LIST	
GMF 11-47	REJECT DISPOSITION LIST	
GMF 11-48	REJECT CORRECTION VERIFICATION LIST	
GMF 61-41	INTEREST REDUCTION INITIATIVE SUMMARY SCRS AND ERS	
SCF 11-48	NEW DLN RECORD LIST	

Exhibit 3.12.38-11 (01-01-2025)
BMF Forms - ERS

The Error Resolution System (ERS) is a replacement for the Service Center Replacement System (SCRS).

The table below shows some of the forms corrected on the terminal via **ERS**.

Exhibit 3.12.38-11 (Cont. 1) (01-01-2025)

BMF Forms - ERS

BMF FORMS

FORMS	DESCRIPTION	MFT	TAX CLASS	DOC CODE
706	United States Estate (and Generation-Skipping Transfer) Tax Return (KCSPC only)	52	5	06
706-NA	United States Estate (and Generation-Skipping Transfer) Tax Return Estate of nonresident not a citizen of the United States (KCSPC only)	52	5	06
709	United States Gift (and Generation-Skipping Transfer) Tax Return (KCSPC only)	51	5	09
709-NA	United States Gift (and Generation-Skipping Transfer) Tax Return of Nonresident Not a Citizen of the United States (KCSPC only)	51	5	08
720	Quarterly Federal Excise Tax Return (OSPC only)	03	4	20
940	Employer's Annual Federal Unemployment Tax Return	10	8	40
941	Employer's Quarterly Federal Tax Return	01	1	41
943	Employer's Annual Tax Return for Agricultural Employees	11	1	43
944	Employers Annual Federal Employment Tax Return	14	1	49
945	Annual Return of Withheld Federal Income Tax	16	1	37, 44, 97
990	Return of Organization Exempt from Income Tax (OSPC only)	67	4	90
990-EZ	Short Form Return of Organization Exempt from Income Tax (OSPC only)	67	4	09
990-PF	Return of Private Foundation (OSPC only)	44	4	91
990-T	Exempt Organization Business Income Tax Return (OSPC only)	34	3	93
1041	U.S. Fiduciary Income Tax Return (for Estates and Trusts)	05	2	44
1041-ES	Payment Voucher, Estimated Tax	05	2	17

Exhibit 3.12.38-11 (Cont. 2) (01-01-2025)
BMF Forms - ERS

FORMS	DESCRIPTION	MFT	TAX CLASS	DOC CODE
1041-QFT	U.S. Income Tax Return (for Qualified Funeral Trusts) (KCSPC only)	05	2	39
1041 Schedule K-1	Beneficiary's Share of Income, Deductions, Credits, etc.	69	5	66
1042	Annual Withholding Tax Return for US Source Income of Foreign Persons	12	1	25
1065	U.S. Partnership Return of Income	06	2	65
1065 Schedule K-1	Partner's Share of Income, Credits Deductions, etc.	69	5	65
1066	Real Estate Mortgage Investment Conduit	07	3	60
1120	U.S. Corporation Income Tax Return	02	3	10, 11
1120-C	U.S. Income Tax Return for Cooperative Associations	02	3	03
1120-F	U.S. Income Tax Return of Foreign Corporations (OSPC only)	02	3	66, 67
1120-H	U.S. Income Tax Return for Homeowner Association	02	3	71
1120-L	U.S. Life Insurance Company Income Tax Return	02	3	11
1120-PC	U.S. Property and Casualty Insurance Company Income Tax Return	02	3	13
1120-POL	U.S. Income Tax Return of Political Organizations (OSPC only)	02	3	20
1120-REIT	U.S. Income Tax Return for Real Estate Investment Trusts	02	3	12
1120-RIC	U.S. Income Tax Return for Regulate Investment Companies	02	3	05
1120-S	U.S. Small Business Corporation Income Tax Return	02	3	16
1120-S Schedule K-1	Shareholders Share of Income, Deductions, Credits, etc.	69	5	67
2290	Heavy Highway Use Tax Return (OSPC only)	60	4	95
3520-A	Annual Return of Foreign Trust with U.S. Beneficiaries	42	3	82

Exhibit 3.12.38-11 (Cont. 3) (01-01-2025)

BMF Forms - ERS

FORMS	DESCRIPTION	MFT	TAX CLASS	DOC CODE
4720/4720- A	Return of Certain Excise Taxes on Charities and Other Persons Under Chap. 41 and 42 of the IRC (OSPC only)	50	4	71/73
5227	Split Interest Trust Information Return (OSPC only)	37	4	83
5330	Return of Initial Excise Taxes Related to Employee Benefit Plans		4	35
5768	Election/Revocation of Election by an Eligible Section 501(C)(3) Organization to Make Expenditures to Influence Legislation (OSPC only)	67	9	77
7004	Application for Automatic Extension of Time to File Certain Business Income Tax, Information, and Other Returns	02, 05-08, 12, 33	2,3	04
8038	Information Return for Tax Exempt Private Activity Bond Issues (OSPC only)	46	3	61
8038-B	Information Return for Build America Bonds Recovery Zone (OSPC only)	46	3	88
8038-CP	Return for Credit Payments (OSPC only)	85	3	88
8038-G	Information Return for Tax Exempt Governmental Obligations (OSPC only)	46	3	62
8038-GC	Consolidated Information Return for Small Tax Exempt Governmental Bond Issues, Leases, and Installment Sales (OSPC only)	46	3	72
8038-T	Arbitrage Rebate of Penalty (OSPC only)	46	3	74
8038-TC	Information Return for Tax Credit Bonds (OSPC only)	86	3	86
8703	Annual Certification of a Residential Rental Project	84	3	01
8868	Application for Extension of Time to File an Exempt Organization Return	34, 36, 37, 44, 50, 56, 67	4	04
8871	Political Organization Notice of Section 527	47	4	61

Exhibit 3.12.38-11 (Cont. 4) (01-01-2025)
BMF Forms - ERS

FORMS	DESCRIPTION	MFT	TAX CLASS	DOC CODE
8872	Political Organization Report of Contributions and Expenditures	49	4	62
CT-1	Employer's Annual Railroad Retirement and Unemployment Return	09	7	11

Exhibit 3.12.38-12 (01-01-2022)
BMF Forms - SCRS

The Service Center Replacement System is known as SCRS. The table below shows some of the forms which are corrected on paper register via SCRS.

Exhibit 3.12.38-12 (Cont. 1) (01-01-2022)
BMF Forms - SCRS

BMF FORMS

FORMS	DESCRIPTION	MFT	TAX CLASS	DOC CODE
11C	Special Tax Return and Application for Registry-Wagering (OSPC only)	63	4	03
706-A	United States Additional Estate Tax Return (KCSPC only)	53	5	05
706-D	U.S. Additional Estate Tax Return Under Code Section 2057 (KCSPC only)	53	6	84
706-GS(D)	Generation-Skipping Transfer Tax Return for Distribution (KCSPC only)	78	5	59
706-GS(T)	Generation-Skipping Transfer Tax Return for Termination (KCSPC only)	77	5	29
730	Tax on Wagering (OSPC only)	64	4	13
1041-A	U.S. Information Return-Trust Accumulation of Charitable Amounts (OSPC only)	36	4	81
1120-FSC	U.S. Income Tax Return of a Foreign Sales Corporation (OSPC only)	02	3	07
1120-ND	Return for Nuclear Decommissioning Trust and Certain Related Persons (OSPC only)	02	3	08
1120-SF	U.S. Income Tax Return for Designated Settlement Funds (OSPC only)	02	3	06
3413 3552	Credit and Account Transfers	Various	Various	51
3520	Annual Return to Report Transactions with Foreign Trusts and Receipt of Foreign Gifts	42	3	83
5578	Annual Certification of Racial Nondiscrimination for Private Schools Exempt from Federal Tax (OSPC only)	67	9	84
8027	Employers Annual Information Return of Tip Income and Allocated Tips (OSPC only)		5	57
8288	U.S. Withholding Tax Return for Disposition by Foreign Persons of U.S. Property Interests (OSPC Only)	17	1	40
8804	Annual Return for Partnership Withholding Tax	08	1	29
8752	Required Payment or Refund under Section 7519	15	2	23

Exhibit 3.12.38-12 (Cont. 2) (01-01-2022)
BMF Forms - SCRS

FORMS	DESCRIPTION	MFT	TAX CLASS	DOC CODE
MISC.		Various	9	77

Exhibit 3.12.38-13 (01-01-2016)
Miscellaneous Related Forms

This section of the manual contains a table of the miscellaneous forms used in Error Resolution procedures and their uses.

Exhibit 3.12.38-13 (Cont. 1) (01-01-2016)
Miscellaneous Related Forms

MISCELLANEOUS FORMS	DESCRIPTIONS
Form 813 Document Register (2 part)	Used to list transaction amounts for remittance or assessment documents to be processed with a new DLN.
Form 1331/1331B - Notice of Adjustment	Used to show the appropriate adjustment (reflecting a decrease in liability) made to the Non-Master File on the taxpayer's account.
Form 1332 Block and Selection Record	Used to process no remittance documents with a new DLN. It is usually prepared by the Numbering Unit.
Form 2275 Records Request, Charge and Recharge Note: Form 8161 ERS Return Charge-out is used by ERS.	Used to request documents from Returns File Unit and Federal Record Campus. It is also used to replace a document that is sent to Rejects when no Form 813 or Form 1332 is present. Use a single copy as a replacement.
Form 2468 Over Assessment Label	Used to indicate assessment of tax, interest and penalty.
Form 3244 Payment Posting Voucher	Used to post a remittance that cannot be processed with the document with which it was received.
Form 3465 Adjustment Request	Used to request adjustments, credit transfers, etc. by Accounts Management (Adjustments) or other areas.
Form 3210 Document Transmittal	Used to transmit documents to be worked by other campus functions.
Form 3696/3696A Correspondence Action Sheet	Used to initiate correspondence to the taxpayer through IDRS or Typing Unit.
Form 3753 Manual Refund Posting Voucher	Used to request a manual refund and for posting of the manual refund TC 840 to the Master File.
Form 3893 Re-entry Document Control	Used to reenter documents with original DLNs.
Form 4028 Service Center Control File (SCCF) Adjustment Record or 4028-A (Format code 310)	Used by Accounting to remove, establish, and adjust records or money on the SCCF. For reject documents, Form 4028 is prepared by Rejects and routed to Accounting. At the option of the campus Accounting Branch, Form 4028 may be bypassed in favor of direct input of SCCF adjustments using CC SCFAJ.
Form 4227 Intra-SC Reject or Routing Slip	Used by Code and Edit and Error Correction Tax Examiners to identify the reason for rejection or suspension.

Exhibit 3.12.38-13 (Cont. 2) (01-01-2016)
Miscellaneous Related Forms

MISCELLANEOUS FORMS	DESCRIPTIONS
Form 4251 Return Charge-Out	Used by various functions to charge out a document from a block.
Form 4338 Information on Certified Transcript Request	Used to request copies of the unit ledger card for ANMF subsequent and advance payments.
Form 4437 EO Document Transmittal	Used to request information from the TEC area office for an Exempt Organization return.
Form 5792 Request for IDRS Generated Refund (IGR)	Used to Process IDRS Generated Refunds (TC 840) (IGR).
Form 6752 Return Non-Refile Flag Green Flag	Used to indicate document requests and IDRS research when a missing document record is being reconstructed or removed from the inventory.
Form 6826 Error/Reject Display Request Card	Used to designate the print and sort requirements for SCRS error and reject registers and listings.
Form 6882 IDRS/Master File Information Request	Used to alert the IDRS researcher of what research is to be conducted.
Form 8749 Unpostable Action Routing Slip	Used in Unpostables and Entity to identify reason for reject.
Form 8758 Excess Collection Files Addition	Used to request credits be added to the Excess Collection File (XSF).
Form 9122 Intra-SC Reject or Routing Slip	Used by EPMF Document Perfection and Document Correction to identify the reason for rejection.

Exhibit 3.12.38-14 (01-01-2023)
NAMEB

RESEARCHING NAMEB	
<p>NAMEB – Used to find an EIN on the local EKIF (EIN Key Index File). Use definers for CC NAMEB if only specific master file records are to be displayed.</p>	
<p><u>Definer Codes</u></p>	
<p>B - BMF E - EPMF</p>	<p>N - NMF X - Hard copy for a screen display that Exceed 30 pages.</p>
<p><u>NAMEB</u></p>	
<p>To find an EIN for a business name: NAMEB AMBER WHITE,+ ,85026,4122 N</p> <p>When the business is a person's name: NAMEB WHITE,AMBER,85026,4122 N</p>	<p>When only the initial of the first name is known: NAMEB WHITE,A,85026,4122 N</p> <p>When the person's first name is unknown: NAMEB WHITE,-,85026,4122 N</p>

Exhibit 3.12.38-15 (01-01-2020)

NAMEE

RESEARCHING NAMEE

Command Code (CC) NAMEE

- Searches for EINs using a nationwide file for taxpayer names and addresses.
- Analyzes the input name and address to select potential matches. It then displays the names, addresses, and TINs as they were filed on the last return.
- Will display multiple addresses for a taxpayer's name if they are on file. It checks taxpayer names that have spelling and phonetic similarities to the requested name.
- Is part of the Corporate Accounts Processing System (CAPS) using Name Search Facility (NSF). NSF will allow requesting primary names or Doing-Business-As (DBA) names.

To access **NAMEE**, input the following:

NAMEE then <XMIT>.

The following screen will be displayed to input information.

NAMEE	
NAME	WHITE, OLIVE
ADDRESS	
CITY	SAN ANTONIO
STATE	
ZIP	78284
COUNTRY	

Line 1: Taxpayer's name: Last, First, Middle or Business name. The correct format is the last name followed by a comma and then the first name.

Line 2: Taxpayer's complete street address if known. For a more complete search leave this line blank.

Line 3: Full city name or two-character valid Major City Code. The city name will not be used in the search if a Zip code is also entered.

Line 4: a. Two-character state code.

b. Blank or Major City Code used. The state code will not be used in the search if a Zip code is entered.

Line 5: ZIP Code: Either the first three digits of the Zip code or the five-digit Zip code.

Line 6: Reserved for international use only. ** is entered in the country field.

Exhibit 3.12.38-16 (01-01-2020)
Entity Research

ENTITY RESEARCH														
<p>ENMOD – Provides name, address, and other entity information and serves as a preceding step to ENREQ, which is a preliminary step for BNCHG.</p> <p>The format for entering ENMOD is:</p> <p style="text-align: center;">ENMOD 00-1267542</p> <p>If ENMODA is entered and the TIF detects “NO DATA AVAILABLE,” ENMOD will automatically default to CC AMDIS. AMDIS searches for the same account on the Audit Information Management System (AIMS). The AIMS record is used for information on the account being examined.</p> <p>INOLE – Provides Master File entity data for a specific TIN from the National Account Profile (NAP). A definer must be used. INOLE should be searched before requesting MFTRA.</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; padding: 5px;"><u>INOLE Definers</u></th> <th style="text-align: left; padding: 5px;"><u>Examples</u></th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">G Use when TIN type is unknown Enter with no hyphen in the TIN</td> <td style="padding: 5px;">INOLEG001562437</td> </tr> <tr> <td style="padding: 5px;">P Use to display EPMF Plan Information</td> <td style="padding: 5px;">INOLEP00-1344567P501</td> </tr> <tr> <td style="padding: 5px;">S Use when the specific account is known (such as: EIN for BMF)</td> <td style="padding: 5px;">INOLES00-1234567</td> </tr> <tr> <td style="padding: 5px;">T Enter TIN using a hyphen and search will be done on all file types for the same TIN</td> <td style="padding: 5px;">INOLET00-1234567</td> </tr> <tr> <td style="padding: 5px;">X Use when researching a TIN that has no Master File account</td> <td style="padding: 5px;">INOLEX00-4567890</td> </tr> </tbody> </table>			<u>INOLE Definers</u>	<u>Examples</u>	G Use when TIN type is unknown Enter with no hyphen in the TIN	INOLEG001562437	P Use to display EPMF Plan Information	INOLEP00-1344567P501	S Use when the specific account is known (such as: EIN for BMF)	INOLES00-1234567	T Enter TIN using a hyphen and search will be done on all file types for the same TIN	INOLET00-1234567	X Use when researching a TIN that has no Master File account	INOLEX00-4567890
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<div style="border: 1px solid black; display: inline-block; padding: 2px 5px; margin-left: 600px;">Plan Number</div>														
RESEARCHING UNIDENTIFIED REMITTANCES														
<p>URINQ – Use to research the Account 4620, Unidentified Remittance File (URF). Remittances less than one year old will be placed here when unidentifiable. Each unidentified record within the file contains the control number, amount, type of payment, status code, 3732(C) notice indicator, name, address, TIN and all available payments with follow-up information.</p> <p>XSINQ – Use to research the Account 6800, Excess Collections File (XSF), and Account 9999, Revenue Clearance Accountability. Remittances more than one year old will be placed in one of these accounts when unidentifiable. Both accounts are non-revenue receipt credit accounts. Each excess remittance record within the file contains the control number, amount and source of credit, IRS received date, status code and other available payments and follow-up information.</p> <p>The same format is used to research with both command codes. These files can be researched in three different ways: by (1) amount of remittance, (2) name control, or (3) DLN. If the DLN is not known, adding the District Office to one of the other elements will narrow the search.</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; padding: 5px;"><u>All Elements</u></th> <th style="text-align: left; padding: 5px;"><u>Amount and Unknown Name Control</u></th> <th style="text-align: left; padding: 5px;"><u>Amount Only</u></th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">URINQ HEML 1,672.28 00218-087-40019-5</td> <td style="padding: 5px;">XSINQ UNKN 468.30</td> <td style="padding: 5px;">URINQ 2,347.01</td> </tr> </tbody> </table>			<u>All Elements</u>	<u>Amount and Unknown Name Control</u>	<u>Amount Only</u>	URINQ HEML 1,672.28 00218-087-40019-5	XSINQ UNKN 468.30	URINQ 2,347.01						
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Exhibit 3.12.38-17 (01-01-2025)
Entity Changes

ENTITY CHANGES

These Command Codes may be used by Rejects to correct addresses, name controls, misspelled names, change in names, filing requirement codes, and the Fiscal Year Month (FYM).

ENREQ - Must be preceded by **ENMOD**. It is a preliminary step to **BNCHG** and **INCHG**.

BNCHG - Response to **ENREQ** for BMF, NMF and EPMF accounts. This is a generated command code with a screen format.

DOC-CD>63 (Document or Doc Code) is always generated into response screens for **BNCHG**.

Other valid Doc Codes are 50 and 53. The **REMARKS** section is a required element on Doc Code 63 responses.

When data is available on the IDRS Taxpayer Information File (TIF), overlay the **ENMOD** screen with: **ENREQ**, space, XMIT

When no data or a dummy module is available on **ENMOD**, enter:

ENREQ
SEIN C OTHE *

Response:

```

BNCHG 00-6784331                               NM-CTRL>SALA
DOC-CD>63   BLK-SERIES>   TC>   SEQ-NUM>   PSTNG-DLAY-CD>
CASE-ASSB-NUM>8           CLC>9 DT-WG-L-PD>   DT-BUS-CLD>
NEW-NAME-CTRL>           PRIMARY-NAME>           <
                        CONTINUATION-OF-PRIMARY-NAME> <
                        SORT-NAME>                 <
                        CARE-OF-NAME>               <
                        FOREIGN-STREET>             <
                        MAIL-STREET-OR-FOREIGN-CITY/ZIP> <
MAIL-CITY/STATE/ZIP-OR-FOREIGN-COUNTRY> <
                        LOCATION-STREET-ADDRESS>   <
                        LOCATION-CITY/STATE/ZIP>   <
XREF-TIN-ITIN-IND> XREF-TIN-ITIN>   FORM-56-CHG-IND> EFF-DT>25
FYM>   EMPLMNT-CD> RRB-NUM>   EDI>   PARA-SEL-CD>   SM-FSC>   FCOI>
NM-YR/QTR>   NEW-SSN>   - - MFT>   DT-OF-DEATH>   SFSC-CTY-CD>
SPOUSES-SSN> - - SOLE-PRP-SSN> - - NEW-EIN> - TOE>
PMF-IND> TRANS-REG-IND> F8123-CD> F637-IND> LARGE-CORP-CD> CEP>   FOE>
WP-DT>   BOD-DT>   OIC-YR>   527-IND> F944-YR/IND> /   LLC-CD>
FILING-REQ: 941>   940>   3520> 943>   945>   1120>   1065>   8804> 944>
1041> CT-1>   720> 730> 11-C> 1066> 2290> 1042> 5227> 3520A> 4720>
990> 990PF> 990T> 706GS (T)> 706GS (D)> 8752> NOT-REQUIRED>
944-BYP>
REMARKS>

```

Exhibit 3.12.38-17 (Cont. 1) (01-01-2025)
Entity Changes

ENTITY CHANGES (CONTINUED - 1)

To change the FYM overlay with:

BNCHG 00-6784331 NM-CTRL>GREE

DOC-CD>63 BLK-SERIES> TC> SEQ-NUM> PSTNG-DLAY-CD>

FYM>12 EMPLMNT-CD> RRB-NUM> EDI> PARA-SEL-CD> SM-FSC> FCOI>

NM-YR/QTR> NEW-SSN> - MFT> DT-OF-DEATH> SFSC-CTY-CD>

SPOUSES-SSN> - SOLE-PRP-SSN> - NEW-EIN> - TOE>

PMF-IND> TRANS-REG-IND> F8123-CD> F637-IND> LARGE-CORP-CD> CEP> FOE>

WP-DT> BOD-DT> OIC-YR> 527-IND> F944-YR/IND> / LLC-CD>

FILING-REQ: 941> 940> 3520> 943> 945> 1120> 1065> 8804> 944>

1041> CT-1> 720> 730> 11-C> 1066> 2290> 1042> 5227> 3520A> 4720>

990> 990PF> 990T> 706GS(T)> 706GS(D)> 8752> NOT-REQUIRED>

944-BYP>

REMARKS>PER 1120 202412

To change an incorrect name control:

BNCHG 00-1334698 NM-CTRL> WHIT

DOC-CD>63 BLK-SERIES> TC> SEQ-NUM> PSTNG-DLAY-CD>

CASE-ASSN-NUM> CLC> DT-WG-L-PD> DT-BUS-CLD>

NEW-NAME-CTRL>WHIT PRIMARY-NAME>WHITE COMPANY <

CONTINUATION-OF-PRIMARY-NAME>] <

SORT-NAME> <

CARE-OF-NAME>% <

FOREIGN-STREET> <

MAIL-STREET-OR-FOREIGN-CITY/ZIP> <

MAIL-CITY/STATE/ZIP-OR-FOREIGN-COUNTRY> <

LOCATION-STREET-ADDRESS> <

LOCATION-CITY/STATE/ZIP> <

XREF-TIN-ITIN-IND> XREF-TIN-ITIN> FORM-56-CHG-IND> EFF-DT>

FYM> EMPLMNT-CD> RRB-NUM> EDI> PARA-SEL-CD> SM-FSC> FCOI>

NM-YR/QTR> NEW-SSN> - MFT> DT-OF-DEATH> SFSC-CTY-CD>

SPOUSES-SSN> - SOLE-PRP-SSN> - NEW-EIN> - TOE>

PMF-IND> TRANS-REG-IND> F8123-CD> F637-IND> LARGE-CORP-CD> CEP> FOE>

WP-DT> BOD-DT> OIC-YR> 527-IND> F944-YR/IND> / LLC-CD>

FILING-REQ: 941> 940> 3520> 943> 945> 1120> 1065> 8804> 944>

1041> CT-1> 720> 730> 11-C> 1066> 2290> 1042> 5227> 3520A> 4720>

990> 990PF> 990T> 706GS(T)> 706GS(D)> 8752> NOT-REQUIRED>

944-BYP>

REMARKS>PER 1065 202412

Exhibit 3.12.38-17 (Cont. 2) (01-01-2025)
Entity Changes

ENTITY CHANGES (CONTINUED – 2)

BMF

If the name control of the primary name is the first four significant characters, a right hand bracket (]) is not necessary.

AZURE INC

A right hand bracket (]) is necessary before and sometimes after the primary name, if the name control is not the first four significant characters.

**VIOLET]WHEAT
VIOLET]WHEAT]& AMBER ROSE PTR**

To make an address change:

```

BNCHG 00-2942015                                NM-CTRL>AZUR
DOC-CD>63     BLK-SERIES>      TC>      SEQ-NUM>      PSTNG-DLAY-CD>
CASE-ASSN-NUM>          CLC>  DT-WG-L-PD>          DT-BUS-CLD>
NEW-NAME-CTRL>          PRIMARY-NAME>              <
          CONTINUATION-OF-PRIMARY-NAME>]          <
          SORT-NAME>                                <
          CARE-OF-NAME>%                            <
          FOREIGN-STREET>                            <
          MAIL-STREET-OR-FOREIGN-CITY/ZIP>1414 E     <
          MAIL-CITY/STATE/ZIP-OR-FOREIGN-COUNTRY>JACKSON, MS,39205 <
          LOCATION-STREET-ADDRESS>                  <
          LOCATION-CITY/STATE/ZIP>                  <
XREF-TIN-ITIN-IND>  XREF-TIN-ITIN>          FORM-56-CHG-IND>  EFF-DT>
FYM>  EMPLMNT-CD>  RRB-NUM>          EDI>  PARA-SEL-CD>          SM-FSC>  FCOI>
NM-YR/QTR>          NEW-SSN>  - -      MFT>  DT-OF-DEATH>          SFSC-CTY-CD>
SPOUSES-SSN>  - -      SOLE-PRP-SSN>  - -      NEW-EIN>  -      TOE>
PMF-IND>  TRANS-REG-IND>  F8123-CD>  F637-IND>  LARGE-CORP-CD>  CEP>  FOE>
WP-DT>          BOD-DT>          OIC-YR>          527-IND>  F944-YR/IND>  /      LLC-CD>
FILING-REQ: 941>  940>  3520>  943>  945>  1120>  1065>  8804>  944>
1041>  CT-1>  720>  730>  11-C>  1066>  2290>  1042>  5227>  3520A>  4720>
990>  990PF>  990T>  706GS(T)>  706GS(D)>  8752>  NOT-REQUIRED>
944-BYP>
REMARKS>NSD-TAXPAYER REQUEST
                
```

If the City/State/ZIP is a Major City Code, enter with the following format:

NY,10001

Exhibit 3.12.38-18 (01-01-2025)
Researching Unpostables

RESEARCHING UNPOSTABLES
<p>UPTIN - Displays all open and closed unpostables for a specific TIN. File will display for 90 days after it is closed. Each Unpostable record will be sorted first by TIN, MFT, Tax Period and Transaction Code (TC). Use CC UPTIN for account research. The data will be updated daily.</p> <p>Example:</p> <p style="padding-left: 40px;">UPTIN 00-6136594 or UPTIN 000-00-5728</p> <p>UPDIS - Displays all open unpostable cases for a specific unpostable sequence number (12-digit). UPDIS must be used prior to CC UPCAS, UPRES and UPREV. The unpostable sequence number is generated in the UPTIN display.</p> <p>Example:</p> <p style="padding-left: 40px;">UPDIS 202512400678</p> <p>UPRES - Generated from prior UPDIS and used to close a case with Unpostable Resolution Codes (URC).</p> <p>UPCAS - Used to place an unpostable case in suspense or request a document for 1st, 2nd and 3rd MFTRA request. Use CC BMFOL prior to CC UPCAS to generate MFTRA.</p> <p>UPCASZ - Used to input history items by Rejects for unpostable corrections.</p>

DELETING PREVIOUS TRANSACTIONS				
<p>TERUP - Used to delete previously input IDRS transactions. An employee can only delete his/her own entries. TERUP must be input the same day as the original transaction(s). TERUP will not close control bases. Precede TERUP with TXMOD or ENMOD. Enter CC TERUP followed by the sequence number of the transaction being deleted. A maximum of three sequence numbers may be deleted at a time.</p> <p>TERUP can delete entries input from ADJ47, ADJ54, AMLEP, AMPEL, BNCHG, CHK54, CRMNL, DRT24, DRT48, FRM14, FRM34, FRM49, FRM77, FRM7A, EOCHG, INCHG and RFUND.</p> <p>When a credit transfer is being rejected, only the Debit TIN should be input for deletion. The pending transaction code of the deleted transaction(s) will appear as DQ the following day on the TXMOD or ENMOD display.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"><u>INPUT:</u></td> <td style="width: 50%; vertical-align: top;"><u>NEXT DAY RESPONSE:</u></td> </tr> <tr> <td style="vertical-align: top;"> TERUP 000001 000002 000003 </td> <td style="vertical-align: top; text-align: center;"> DQ 612 20250513 495.00 202412 00224-533-00001-5 </td> </tr> </table> <p style="text-align: center;"><u>TERUP Definers</u></p> <p style="text-align: center;">(must be preceded by TXMOD or ENMOD)</p> <p>A - deletes CC CAFAD and CAFUP inputs for all CAF transactions input for the TIN specified.</p> <p>C - deletes CC CHKCL (IDRS check claims) to prevent the check claim data from being sent to Regional Finance Center (RFC).</p> <p>P - deletes CC EPLAN transactions from being processed to EPMF.</p>	<u>INPUT:</u>	<u>NEXT DAY RESPONSE:</u>	TERUP 000001 000002 000003	DQ 612 20250513 495.00 202412 00224-533-00001-5
<u>INPUT:</u>	<u>NEXT DAY RESPONSE:</u>			
TERUP 000001 000002 000003	DQ 612 20250513 495.00 202412 00224-533-00001-5			

Exhibit 3.12.38-19 (01-01-2016)
Corporate Files On-Line (CFOL) Input Formats

CORPORATE FILES ON-LINE (CFOL) INPUT FORMATS													
<p>Key: + = Replace with definer as appropriate. Available Definer Codes are listed on summary screens.</p> <p>nn-nnnnnnnn = EIN nnnyyyymm = MFT code and Tax Period</p>	<p>IRPTR IRPTR+ Blank Access Screen</p> <p>O Online Request E Payee Screen R Payer Screen H Help S Summary</p>												
<p>BMFOL BMFOL+nn-nnnnnnnn</p> <p>E Entity information I Index (Summary) L Last period satisfied O Exempt Organization data P Page request V Vestigial data (retention register) Z Audit history data</p> <p>BMFOL+nn-nnnnnnnn nnnyyyymm</p> <p>A Adjustment transaction M On-line request from MRS R Posted return S Status history data T Tax module information U CAWR</p> <p>BMFOL+ H Help screen</p>	<p>INOLE INOLE+nn-nnnnnnnn</p> <p>G TIN type unknown (without hyphens) T When TIN known, file source unknown S Specific-File Source code known X No MF account, cross-reference information P With EIN, File Source, Plan # (EPMF)</p>												
<p>BRTVU BRTVU nn-nnnnnnnn nnnyyyymm+</p> <p>R1-R6 Screens 1-6 of Return</p> <table border="0"> <tr> <td>M1 Form 3800</td> <td>SM Summary Screen</td> </tr> <tr> <td>SA Schedule A</td> <td>T3 Form 4626</td> </tr> <tr> <td>SF Schedule F</td> <td>V1 Form 8609</td> </tr> <tr> <td>SJ Schedule J</td> <td>V2 Form 8586</td> </tr> <tr> <td>SK Schedule K</td> <td>W1 Form 8611</td> </tr> <tr> <td>SL Schedule L</td> <td>Y1 Form 8693</td> </tr> </table> <p>Definer Codes used are listed on summary screen.</p>	M1 Form 3800	SM Summary Screen	SA Schedule A	T3 Form 4626	SF Schedule F	V1 Form 8609	SJ Schedule J	V2 Form 8586	SK Schedule K	W1 Form 8611	SL Schedule L	Y1 Form 8693	<p>Note: To specify the type of TIN requested, enter File Source Code immediately after the TIN. The codes are:</p> <p>BLANK BMF valid EIN D Temporary TIN N NMF V BMF valid SSN W BMF invalid SSN P IRAF or EPMF valid SSN or EIN X IRAF invalid SSN or EPMF invalid EIN</p>
M1 Form 3800	SM Summary Screen												
SA Schedule A	T3 Form 4626												
SF Schedule F	V1 Form 8609												
SJ Schedule J	V2 Form 8586												
SK Schedule K	W1 Form 8611												
SL Schedule L	Y1 Form 8693												

Exhibit 3.12.38-20 (01-01-2016)
 CFOL CC BMFOL - Quick Reference Guide

CFOL COMMAND CODE BMFOL	
QUICK REFERENCE GUIDE	
The following Definer Codes are valid with CC BMFOL:	
DEFINER CODE	<u>DESCRIPTION</u>
A	Adjustment transactions for the specified BMF tax module.
B	Used to restore Recoverable Retention Register (RRR) tax modules back to the active BMF Master File.
E	Posted entity transactions as well as various indicators and freeze codes for the specified TIN, including cross-ref TIN.
H	Help Screen.
I	Index of all BMF tax modules (on-line or off-line) for the specified TIN.
L	Last tax module satisfied for the specified TIN.
O	Requests the BMF Exempt organization data for the specified EIN.
R	Posted return for the specified tax module.
S	Status history data for the specified tax module.
T	Posted transactions and various other data for the specified tax module.
U	Combined Annual Wage Reporting (CAWR) information for the specified tax module.
V	Vestigial section of the entity which indicates specified tax modules have been aged off to the retention register.
Z	Audit history data of the specified TIN.

Exhibit 3.12.38-21 (01-01-2016)
CC BRTVU - Quick Reference Guide

COMMAND CODE BRTVU QUICK REFERENCE GUIDE			
Command Definer	Associated Screen	Command Definer	Associated Screen
SM	Summary Screen	- Blank or invalid definers, or definers requesting an unavailable screen will default to the summary screen.	
M1	Form 3800	B2	Schedule B, Page 2
N1	Form 4136	B3	Schedule B, Page 3
R1	Screen 1 of Return	SF	Schedule F
R2	Screen 2 of Return	SG	Schedule G
R3	Screen 3 of Return	SH	Schedule H
R4	Screen 4 of Return	SI	Schedule I
R5	Screen 5 of Return	SJ	Schedule J, Page 1
R6	Screen 6 of Return	J2	Schedule J, Page 2
SA	Schedule A, Page 1	SK	Schedule K
SB	Schedule B, Page 1	SL	Schedule L
AA	945A 1 of 12	T3	Form 4626
AB	945A 2 of 12	ZZ	Form 1139
AC	945A 3 of 12	01	Form 8609 1 of 30
AD	945A 4 of 12	02	Form 8609 2 of 30
AE	945A 5 of 12	03-30	Form 8609 3 of 30
AF	945A 6 of 12		through 30 of 30
AG	945A 7 of 12	SE	Schedule E Page 1
AH	945A 8 of 12	SC	Schedule C Page 1
AI	945A 9 of 12	V1	Form 8609
AJ	945A 10 of 12	V2	Form 8586
AK	945A 11 of 12	W1	Form 8611
AL	945A 12 of 12	Y1	Form 8693

Exhibit 3.12.38-22 (01-01-2016)
 Tax Account Information

TAX ACCOUNT INFORMATION
<p>SUMRY – Used to request a summary of accounts available on Taxpayer Information File (TIF). If only one tax module is present, TXMODA will be displayed for that module. SUMRY will display the message "ENTITY ONLY – SEE IRM 2.3.15 CC ENMOD" when there are no modules present on the account being researched.</p> <p style="text-align: center;">Example: SUMRY 00-1789342</p> <p>SUMRY Definers</p> <p>A – Will default to CC AMDIS for search and display of Audit Information Management System (AIMS) data (if any) if account is not on TIF.</p> <p>R – Used when information regarding any tax module data (if any) as well as information from the refund (REINF) is needed. If no data is found it will default to CC REINF.</p> <p>TXMOD – Used with a definer to request tax module information for a specific tax period (YYYYMM) on TIF. If the tax module requested is not present on TIF, but other modules are available, SUMRY will display. When TXMOD follows any other command code where a TIF match was found for MFT/Plan Number, Tax Period, and TIN, only CC TXMOD needs to be entered. When the requested data is on Master File, but the account is inactive, TXMOD/SUMRY will default to BMFOL.</p> <p>TXMOD Definers</p> <p>A – Displays most tax module information present on TIF.</p> <p>C – Displays Control Base Data, History Data, and Pending Transaction Data.</p> <p>L – Pending Transactions with DLNs Present.</p> <p>N – Notice Data.</p> <p>P – Posted and Pending Transaction Data.</p> <p>S – SC and MF Status History Data.</p> <p>X – Status History Data and Notice Data.</p>

Exhibit 3.12.38-23 (01-01-2023)
Suppressing Erroneous Notices

SUPPRESSING ERRONEOUS NOTICES

FRM49 - Inputs a satisfying transaction on Master File for a Taxpayer Delinquency Investigation (TDI) account when a tax return is not received. Up to 11 transactions may be input on one screen. TC 59X serves as an indicator that an acceptable reason was given for the non-filing of a tax return for a specific tax period. Use if working document after program completion (BMF – 10 weeks). TCs 594 and 599 require a block indicator "BB" to generate blocking series 74; otherwise, this field must be blank.

Closing Letter 2358C is required for the following Transaction and Closing Code combinations. It will automatically be generated when the correspondence received date or return received date is entered. Entering a slash (/) instead of a date will suppress the letter when it should not be generated to the taxpayer.

- TC590 CC 25, 27, 28, 38, 53, 75, 77, 78, 88, and 97**
- TC591 CC 25, 38, 75, 88, and 97**
- TC594 CC 33, 38, 58, 63, 83, and 88**
- TC599 CC 21, 31, 44, 46, 48, 50, 90, 94, 96, 97, and 98**

FRM49 BB-

- 00-2324633 GOLD 01 202509 59918**
- 00-2334621 GRAY 06 202412 59434**
- 00-2345678 GREE 02 202312 59944 20250415**

STAUP - Use to update the IDRS status on modules that are or have been balance due modules. This will generate a history item on the tax module. It will interrupt, delay, accelerate, or skip routine notice issuance. Use **CC STAUP** with definer "S" when updating a single account. Input **CC TXMODA** for the specific module. Blank out the page. Input **STAUPS00-4123569**

05

Number of cycles (weeks) for delay of notice.

Use **CC STAUP** with no definer when you are suppressing several transactions on Master File with different tax modules.

STAUP

- 00-4123569 01 202512 ROSE 58 06 1520**
- 00-1734567 02 202412 OLIV 58 06**

An **R** may be entered instead of the TIN and File Source to repeat that of the previous entry duplicated for **FRM49** and **STAUP**.

Exhibit 3.12.38-24 (01-01-2023)
Master File Transcript Requests

MASTER FILE TRANSCRIPT REQUESTS

Use CFOL Command Codes before requesting MFTRA.

MFTRA - Requests a complete account of all active modules.

Example

MFTRA
00-1234565,01,202409
00-7543216B,C
00-3210456,A,123.00-
00-4567321V,B
00-2345678,M,10
R,M,01

TIN and File Source Codes

Blank
V - BMF MFT 51, 52,77,78 (SSN)
W - BMF MFT 51, 52,77,78 Invalid (SSN)

An **R** may be entered instead of the TIN and File Source to repeat that of the previous entry.

Request Types

- A** - Transaction Amount (Input a minus "-" after the amount if amount is a credit.)
- B** - Open Balance
- C** - Complete Entity Module
- D** - Transaction Date
- E** - Entity Module
- K** - Yearly BMF Literal transcript for all MFT's.
- L** - All modules for a specific MFT on the lower level.
- M** - MFT (BMF and IMF)
- T** - Transaction Code
- X** - BMF or IMF hard copy literal transcripts are designed primarily for taxpayer and/or taxpayer representative use.
- Y** - All BMF modules for one specific year.
- Z** - Request for a Specific Tax Module from the Annual Temporary Retention Register Backup File.
- +** - Debit balance
- - Credit balance
- #** - DLN

If none of these Request Types are input, a specific tax module will be automatically generated.

Exhibit 3.12.38-25 (01-01-2016)
 Document Requests

DOCUMENT REQUESTS	
Use CFOL (Corporate Files on Line) Command Codes before requesting documents.	
<p>ESTAB - Used to enter requests for original documents, copies, information, etc. Use appropriate modifier and request code from the list below. CC ESTAB causes Form 4251, Return Charge-Out to generate. Using a right-hand bracket (]) with CC ESTAB will generate the TIN, if ESTAB was preceded with CCs ACTON, ENMOD, REINF, SUMRY, or TXMOD.</p>	
<u>Modifiers</u>	
<p>D - Document Requests M - Microfilm Requests</p>	<p>R - Retired Document Update Requests S - SCRIPS Requests</p>
<u>Request Codes</u>	
<p>B - to request an ENTIRE BLOCK C - to request a copy of a return with all attachments E - to request the original return for the CRIM INVESTIGATION Division F - FOLLOWUP request for no response to previous request. G - to request GAO FINANCIAL AUDIT I - to request from files INFORMATION from a return or other document K - to request only a specific part or parts of a return be copied M - Expedites search: MANAGEMENT USE ONLY N - ID THEFT PAPER request for paper returns or other paper documents related to identity theft cases. O - to request an ORIGINAL document</p>	<p>P - to request a copy of the first page of a return or other document Q - ID THEFT SCAN requests scanned returns or documents with identity theft cases. R - for REIMBURSABLE COPY photocopy requests received from taxpayer S - to request an image from CORRESPONDENCE IMAGING SYSTEM T - to RECHARGE documents to other areas U - Expedites search: MANAGEMENT USE ONLY V - Expedites search: MANAGEMENT USE ONLY W - Request for Form W-2 ONLY REQUEST X - to request a print of a CII scanned document</p>
<p>NOTE: See IRM 2.3.17 for a detailed explanation of Request Codes.</p>	

Exhibit 3.12.38-25 (Cont. 1) (01-01-2016)
Document Requests

Document Requests (Cont. 1)

```

ESTABD:
DLN>                EMP. NUM>                MFT>        FORM NUM>
TAX PERIOD>        EMP. PLAN NUM>        NAME CONTROL>
Enter one of the following below: (SC-STOP) or (STATE-CODE) OR (ADDRESS-NUMBER)
SC STOP>                ST-CD>        ADDR-NUM>        *
ADDRESS LINE 1>                ADDR-STOP>
ADDRESS LINE 2>
REMARKS LINE 1>
REMARKS LINE 2>                NEED K-1?> (Y/N)
BOD/AREA NUM>                MULTIPLE DOCUMENT REQUESTS> (Y/N)
(see note 1 below for required BOD/AREA-NUMBER)

NOTE 1:
BOD/AREA-NUMBER KEY:
Service Center Employee
  1 = Campus Employee
Non-Service Center Employee
  2 = CI                7 = EXAM-SB/SE        12 = COLL-TEGE
  3 = TAS                8 = EXAM-TEGE        13 = COLL-TS
  4 = Disclosure        9 = EXAM TS        14 = APPEALS
  5 = Customer Assistance 10 = COLL-LMSB        15 = OTHER
  6 = EXAM-LMSB        11 = COLL-SB/SE

NOTE 2:
Never input Taxpayer address info in the Address or Remarks Field.

```

NOTE: See IRM 2.3.17 (*Command Code ESTABD*) for a detailed explanation of **CC ESTABD**

Exhibit 3.12.38-26 (01-01-2020)
SCFTR

COMMAND CODE SCFTR

Used for real time research of the Service Center Control File (SCCF). Command Code (CC) SCFTR researches the SCCF using a Master File ID Code and searches for a Block Document Locator Number (DLN). The SCCF file is updated nightly from batch processing and continuously from on-line adjustments with CC SCFAJ. To access any DLN on the SCCF, enter CC SCFTR, followed by the Master File System ID Code (MFID) and the Block DLN, with a space between the command code and the MFID code.

Master File System ID Code

<u>Values</u>	<u>System</u>
1	IMF
2	BMF
3	EPMF
5	IRP
6	NMF

DLN 00141-130-49123-5 would be input as follows:

SCFTR 2001411304915

MFID

DLN

Year Digit

If the response screen indicates the DLN is on the SCCF Historic File, move to the end of the SCFTR input definer H and transmit for overnight reactivation (up to 6 prior calendar years).

SCCF Transcript Codes

FROM	TO	ACTION
0	0	DLN has been set up by Forms 813, 2345, or 4028
0	5	From Data Conversion to good tape
0	4	From Data Conversion to Rejects inventory
0	3	From Data Conversion to Error Correction
0	2	Deleted from raw suspense
0	1	Initiates BOB indicator (item in BOB inventory)
1	5	From BOB to good tape
1	4	From BOB to Rejects inventory
1	3	From BOB to Error Correction
1	0	Deletes BOB indicator
3	5	From Error Correction to good tape
3	4	From Error Correction to Rejects inventory
3	2	Deleted from Error Correction inventory
3	0	From Error Correction to raw suspense
4	5	From Rejects inventory to good tape
4	2	Deleted from Rejects inventory
4	0	From Rejects inventory to raw suspense
5	0	From good tape to raw suspense
6	4	From nullified Unpostables to Rejects inventory
6	0	From nullified Unpostables to raw suspense
7	0	Adds count or money to the SCCF
8	0	Subtracts count or money from the SCCF

Exhibit 3.12.38-27 (01-01-2025)

LETER

LETER

Used as the first step in requesting an IDRS letter. Use this command code to get the taxpayer's name and address from the TIF. **CC LETER** generates the **LPAGE** screen to input an IDRS Letter.

To access, input the following:

```
LETER 00-0102037 02 202412
118C R
CD DP
00
```

Example of response to CC LETER:

See 4th bullet
of NOTE

```
LPAGE 00-0102037 02 202412          E NL1>
FL#>118C  SIG>CD  RA>00 ENC>N  VIEW>N NL2>
EM#>          SUS>R FAD>  PA>   CB>   NL3>
OMB>DP      CAF>          X-SP> NL4>
Dear>Taxpayer:                      STR>
PAR>                                  >
```

NOTE:

- Perfect the name and address area of the **LPAGE** screen using information from the return. Name and address information remains in all CAPITAL letters.
- Fill-in data should be strung together, using the entire width of the 80-character screen.
- Narrative fill-ins are capitalized just as they should appear on the finished letter. Type in the fill-in data as you would on a typewriter or word processor.
- If you use the Expert System to produce the **LPAGE** screen input, an "E" will appear on Line 1 in Column 38, as shown above, when you toggle back to IDRS mode (see IRM 2.4.6.2.2 for further information).

Exhibit 3.12.38-28 (01-01-2025)
Credit Transfers

CREDIT TRANSFERS

NOTE: **DESIGNATED PAYMENT CODE (DESG-PYMT-CD)** use is mandatory with input of TCs 640, 670, 680, 690, 694 and 700. DPC 01 and 02 may only be input when MFT is 01, 03, 09, 11, 12, 16 or 55. If these TCs are input, a DPC must also be input as follows:

For TC 640, DESG-PYMT-CD must be 00, 01, 02, 12, or 99.
 TC 670, DESG-PYMT-CD must be 00 thru 11 or 99.
 TC 700, DESG-PYMT-CD must be 00 or 06.

See IRM 2.4.17-5 for further explanation.

Below are examples of Response and Input Format displays for DRT24.

Examples:

ADD24 00-1673663 MFT>02 TX-PRD>202412 NM-CRTL>TERR

Response:

```

DRT24 00-1673663                      MFT>02                      TX-PRD>202412                      RPN>000 NM-CRTL>TERR
---DEBIT--- NON-IDRS-IND>= EFTPS-ELEC-DPST-IND>
TRANS-DT>                      TC>                      AMT>                      REVERSE-DPC>                      PSTNG-DLAY-CD>
OVERRIDE-DT>                      TC>                      AMT>
CASE-STS-CD>                      IRS-RCVD-DT>                      CTRL-CAT>                      ACTIVITY>CRED-TRANS

*****
---CREDIT--- NON-IDRS-IND>
00-1673663                      MFT>                      TX-PRD>                      RPN>000 NM-CRTL>SETT
TRANS-DT>                      TC>                      AMT>                      DESG-PYMT-CD>                      PSTNG-DLAY-CD>
OVERRIDE-DT>                      TC>                      AMT>
CASE-STS-CD>                      IRS-RCVD-DT>                      CTRL-CAT>                      ACTIVITY>CRED-TRANS
FLC>                      TRANS-REG-IND>                      SPOUSE-IND>                      BYPASS-IND>
                    
```

Input Format:

```

DRT24 00-1673663                      MFT>02                      TX-PRD>202412                      RPN>000 NM-CRTL>TERR
---DEBIT--- NON-IDRS-IND>= EFTPS-ELEC-DPST-IND>
TRANS-DT>                      TC>                      AMT>                      REVERSE-DPC>                      PSTNG-DLAY-CD>
OVERRIDE-DT>                      TC>                      AMT>
CASE-STS-CD>                      IRS-RCVD-DT>                      CTRL-CAT>                      ACTIVITY>CRED-TRANS

*****
---CREDIT--- NON-IDRS-IND>
00-1673663                      MFT>                      TX-PRD>                      RPN>000 NM-CRTL>SETT
TRANS-DT>                      TC>                      AMT>                      DESG-PYMT-CD>                      PSTNG-DLAY-CD>
OVERRIDE-DT>                      TC>                      AMT>
CASE-STS-CD>                      IRS-RCVD-DT>                      CTRL-CAT>                      ACTIVITY>CRED-TRANS
FLC>                      TRANS-REG-IND>                      SPOUSE-IND>                      BYPASS-IND>
                    
```

Whenever credits are transferred by the Rejects functions, the use of IAT is mandatory. IAT eliminates the need to hold cases by detecting potential unpostable conditions. See the IAT Credit Transfer Job Aid http://iat.web.irs.gov/jobaids/credit_transfer.xml for specific instructions.

Note: IDRS will be used when IAT is unavailable.

Exhibit 3.12.38-28 (Cont. 1) (01-01-2025)
Credit Transfers

CREDIT TRANSFERS (CONTINUED - 1)

Below is an example of the input Format display for **ADC34**:
Example:

ADC34 00-1510174 MFT>02 TX-PRD>202403 NM-CRTL>PINK

Input Format:

```
FRM34 00-1510174 MFT> 02 TX-PRD>202403 RPN>000 NM-CRTL> PINK

--DEBIT-- NON-IDRS-IND>@
TRANS-DT>01312025 TC>672 AMT> 3000.00            SBSDRY-CD> PSTNG-DLAY-CD>
TRANS-DT>02152025 TC>672 AMT> 3000.00            SBSDRY-CD> PSTNG-DLAY-CD>
TRANS-DT>    TC>    AMT>            SBSDRY-CD> PSTNG-DLAY-CD>
TRANS-DT>    TC>    AMT>            SBSDRY-CD> PSTNG-DLAY-CD>
CASE-STS-CD> IRS-RCVD-DT>    CTRL-CAT>    ACTIVITY>34-CR-TRANS

--CREDIT-- NON-IDRS-IND>                    BYPASS-IND> CR-FRZ-CD>
          00-1510174 MFT> 02 TXP-PRD>202403 RPN>000 NM-CRTL> PINK
TC>670 TRANS-REG-IND> FLC>    DESG-PYMT-CD>    CORRESP-DT>
TC>670 TRANS-REG-IND> FLC>    DESG-PYMT-CD>    CORRESP-DT>
TC>    TRANS-REG-IND> FLC>    DESG-PYMT-CD>    CORRESP-DT>
```

Below is an example of the input format display for **ADC48**:
Example:

ADC48 00-1673663 MFT>02 TX-PRD>202412 NM-CRTL>ROSE

Input Format:

```
DRT48 00-1673663 MFT>02 TX-PRD>202412 RPN>000 NM-CRTL>ROSE
---DEBIT--- NON-IDRS-IND>A EFTPS-ELEC-DPST-IND>
TRANS-DT>04152025 TC>672 AMT>6000.00            REVERSE-DPC>    PSTNG-DLAY-CD>
OVERRIDE-DT>    TC>    AMT>
CASE-STS-CD> IRS-RCVD-DT>*    CTRL-CAT>    ACTIVITY>CRED-TRANS
*****
---CREDIT--- NON-IDRS-IND>
          00-2173674 MFT>02 TX-PRD>202412 RPN>000 NM-CRTL>MILL
TRANS-DT>04152025 TC>670 AMT>6000.00            DESG-PYMT-CD>    PSTNG-DLAY-CD>
OVERRIDE-DT>    TC>    AMT>
CASE-STS-CD> IRS-RCVD-DT>*    CTRL-CAT>    ACTIVITY>CRED-TRANS
FLC>    TRANS-REG-IND>    SPOUSE-IND>    BYPASS-IND>
```

Exhibit 3.12.38-29 (01-01-2025)
IDRS Refunds

IDRS REFUNDS

ACT/DMI – The Automated Computation Tool is programmed to correctly compute both within module and net rate interest netting once the correct tax module data has been input. While the ACT/DMI software can perform interest netting computations, it is vital that the module information be correctly analyzed and entered into the program.

COMPAD and INTST are to be used ONLY when DMI is not available.

COMPAD – Use definer D to compute interest on the refund amount. The first date entered will be the date from which the interest is figured. The second date will be the date to which the interest is figured.

Example:

**COMPAD
04152024 01192025 4,627.63**

INTST – Used to compute interest and penalties on an outstanding balance (OBL). The date entered will be the date to which interest is figured.

Example:

**INTST
02 202404 01192025 WOLF**

RFUND – Used to generate IDRS refunds. TXMOD is a prerequisite to RFUND. Definer R is used to obtain the RFUND format. The posted name and address is automatically generated from the TIF. Verify they match the document receiving the refund.

Line Numbers

11 – 941 PY	31 – 1041 PY	45 – 706 GS(D)/GS(T)	57 - 940
12 – 941	32 – 1041	46 – 709 PY	61 – 1120 PY
16 – 942 PY	36 – 1065 PY	47 – 709	62 - 1120
21 – 943 PY	37 – 1065	51 – CT-1 PY	67 - 1066
22 – 943	41 – 706 PY	52 – CT-1	90 – 945 PY
26 – 1042 PY	42 – 706	56 – 940 PY	91 - 945
27 - 1042			

Exhibit 3.12.38-29 (Cont. 1) (01-01-2025)
IDRS Refunds

IDRS REFUNDS (CONTINUED - 1)

RFUND Format:

```
RFUNDR 00-4234953 02 202412 BIRC
$$$$$$$$ TC840 IDRSREFUND
$$$$$$$$ TC770
$$$$$$$$ LN I DO SEQ C B
                                     N1
                                     N2
                                     N3
                                     N4
                                     ADD
                                     CY/ST/ZP
```

DUPLICATE INDICATOR:
BYPASS INDICATOR: 0

Data Input:

```
RFUNDR 00-4234953 02 202412 BIRC
5,188.88$$ TC840 IDRSREFUND
561.25$$$$ TC770
4,627.63$$ 62 N 00 001 C B
BIRCH INDUSTRIES
SIENNA BIRCH
                                     N1
                                     N2
                                     N3
                                     N4
                                     ADD
2020 S HAYES AVE
CHEYENNE, WY 82001
                                     CY/ST/ZP
```

DUPLICATE INDICATOR:
BYPASS INDICATOR: 0

RFUND Input

TC 840 - Total refund and interest

TC 770 - .00 – if no interest
 \$\$.\$\$ - if interest due

\$\$\$\$\$ - Refund minus interest

LN - Line number

I - Interest indicator
 N – normal
 R – restricted
 O (zero) – none

DO - District Office

SEQ - Case sequence number –
 numbered sequentially
 each day per TE

C - Closure control base –
 A, B, C, or M

B - Block series indicator

Note: See IRM 2.4.20 Command Codes RFUND.

Exhibit 3.12.38-30 (01-01-2017)
IRPTR Definers and IRPTRO

#

Exhibit 3.12.38-30 (Cont. 1) (01-01-2017)
IRPTR Definers and IRPTRO

We will use CC IRPTR "O" to verify all withholding.

IRPTR Response Screen - Definer O, Form W-2

```
IRPTRONNNNNNNNNVYYYYDD                *(TYyyy) IRMF ON LINE TRANSCRIPT SYSTEM *
TIN- nnnnnnnnnn TIN TYPE AND VALIDITY- n DOCUMENT CODE- nn PAGE nnn OF nnn
DOCUMENT TYPE: nnnnnnnnnn ON FILE DATE: mm-dd-yyyy
PAYEE ENTITY DATA: aa nnnnnnnnnn--
                                           PYR'S SUBMISSION DLN:nnnnnnnnnnnnnnn
                                           SSA MICROFILM NUMBER: nnnnnnnnnnn
                                           SUBMITTED TO: aaaaaaaaaaaaaa
                                           PAYROLL REPORTING UNIT: nnnn
                                           FOREIGN PYR IND: aaaaaaaaaaaaaaaaaa

STATE: vv ZIP: nnnnn-nnnn
ACCOUNT NUMBER:
PAYER ENTITY DATA: aaa nnnnnnnnnnn

                                           $ CHNG:
                                           CREDIBILITY:
                                           STATUTORY EMPLOYEE IND:

TYPE OF EMPLOYMENT:
```

Exhibit 3.12.38-31 (01-01-2025)
Case Control and History

CASE CONTROL AND HISTORY							
<p>ACTON – Used to establish, update, close control bases, correct name controls on dummy accounts, and enter history items on IDRS modules. A valid input of CC ENMOD, SUMRY, TXMOD, LPAGD, ADJ54, FRM34, FRM77, STAUP, DRT24, DRT48, ACTON, or REINF must precede each ACTON input request.</p>							
<p>Examples:</p>							
<p>Establishing a new control base:</p> <p style="margin-left: 20px;">ACTON 02 202412 AZUR C#,REJECTCASE,A,TPRQ *,* ,</p>	<p>The tax period and MFT are required when ACTON follows ACTON, ADJ54, DRT24, DRT48, FRM34, FRM77, LPAGD, REINF, STAUP, RELES or SUMRY when establishing a control base (C#). They are not required when ACTON follows ENMOD or TXMOD.</p>						
<p>To change or close a control base:</p> <p style="margin-left: 20px;">ACTON C01,,C</p>							
<p>To change an incorrect name control:</p> <p style="margin-left: 20px;">ACTON 02 202412 CAME/ C#,NAMECHG,B,TPRQ *,* ,</p>	<p>If a dummy account is present on TIF with an incorrect or all blanks name control field, a slash (/) must follow the input name control.</p>						
<p>To record a history item:</p> <p style="margin-left: 20px;">ACTON H,NOTINERS</p>	<p><u>CASE STATUS CODES</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A – Assigned</td> <td style="width: 50%;">M – Monitor/Other</td> </tr> <tr> <td>B – Background</td> <td>S – Suspense</td> </tr> <tr> <td>C – Closed</td> <td>(IRP Cases)</td> </tr> </table>	A – Assigned	M – Monitor/Other	B – Background	S – Suspense	C – Closed	(IRP Cases)
A – Assigned	M – Monitor/Other						
B – Background	S – Suspense						
C – Closed	(IRP Cases)						
<p>To leave multiple histories:</p> <p style="margin-left: 20px;">ACTONB01 202412 ACME H,LGCORPOKD</p> <p style="margin-left: 20px;">H,01,202412 H,10,202412</p>							
<p>NOTE: When a SUMRY request indicates that a memo account is present on the file (indicating that the account has been resequenced to another TIN), use caution when establishing a new control base on any module within the account. See IRM 2.3.12.2.</p>							

Exhibit 3.12.38-32 (01-01-2025)
Establishing IDRS Modules

ESTABLISHING IDRS MODULES

MFREQ - Used to establish an entity or tax module when a control base is not required. This generates a TC902 for BMF or EPMF. **MFREQ** is not valid for **NMF** accounts.

MFREQ requires a definer.

MFREQ - with definer **D** brings a tax module and its related entity data from the Master File to IDRS for Master File (MF) accounts approximately two weeks after the request.

MFREQ - with definer **C** will bring the account from CFOL to the local IDRS while the user is waiting online.

Examples:

BMF valid EIN:

MFREQC00-0456789
02 202412 ORAN

BMF valid SSN:

MFREQC000-00-1234V
52 202412 MAPL

EPMF valid example:

MFREQD00-0456789P
74 202412 TAN 001

If the name control is not known, substitute any four alpha characters for a BMF or EPMF account.

Valid Response: If the **MFREQ** request is accepted, the input screen is redisplayed with the message, "REQUEST COMPLETED."

Exhibit 3.12.38-33 (01-01-2025)
Inputting Tax Adjustments

INPUTTING TAX ADJUSTMENTS

REQ54 – Used to adjust tax, penalty, interest, credit items and line items. A prerequisite command code must be requested so the tax module and control data may be verified. The valid prerequisite command codes are **ACTON**, **ADJ54**, **DOALL**, **DRT24**, **DRT48**, **FRM34**, and **TXMOD**. **REQ54** is valid for IMF, BMF, and IRAF. It is not valid for NMF or EPMF. **REQ54** inputs TC 29X transactions.

Form 8485, Assessment Adjustment Case Record, is completed with the **ADJ54** information. Form 6502, Employee Source Document Folder, sticker is attached to the front of the folder with date, employee number, and sequence number indicated. Codes input with **CC ADJ54** are located in Section 8, Document 6209, IRS Processing Codes and Information.

Examples:

To request **CC ADJ54** when a prerequisite command code has been used:

REQ54 XMIT

To request a different tax module when **CC ADJ54** was used previously:

REQ54 02 202412 XMIT

Response screen: shaded information was input.

```

ADJ54 00-0123543 MFT>02 PLAN>000 TX-PRD>202412 NM-CTRL>BLAC
SEQ-NUM>1 BLK>18 DT-TRNSFR> CORRESP-DT> INTCMP-DT>
CASE-STS-CD>M IRS-RCVD-DT>* CTRL-CAT>TPRQ 2%-INT-DT>
ACTIVITY>54-TAX-ADJ 5330-PYE-DT> TCB-DT> CR-INT-TO-DT>
RET-PROC-DT>20250828 5330-RVRSN-DT> OVERRIDE-CD> RFSCDT>
DB-INT-TO-DT> COMP-INT-AMT> OTN> -
DATA-REF-1> REF-CHG-1> DATA-REF-2> REF-CHG-2>
N-PER> N-AMT> N-BEG> N-END> N-MFT>
*****TRANSACTION CODES*****
TC>290 AMT>.00 TC> AMT> TC> AMT>
TC> AMT> TC> AMT>
*****
SRCE-CD> RSN-CDS> - - - RCA-IND> MTH-ERR-CDS> - FLC>
HOLD-CD> PRT-CD> PSTNG-DLAY-CD> CP-NTC-SUPP-IND> AMD-CLMS-DT>
ACK-LTR?> TRANS-REG-IND> DMF-AG> SUB-AG> XREF-TIN> -
***** ITEM-REF-CDS/ABST-CDS/CR-REF-CDS/FUTA-STATE-CD/DRI-CD *****
CD> AMT> CD> AMT> CD> AMT>
CD> AMT> CD> AMT> CD> AMT>
    
```

Exhibit 3.12.38-34 (01-01-2025)
Inputting Miscellaneous Transactions

INPUTTING MISCELLANEOUS TRANSACTIONS

REQ77 – Used to input transactions to a taxpayer's account. Command Code ENMOD or SUMRY should be used if the input transaction changes entity information. TXMOD should be used if the transaction addresses a specific tax module. **ADJ54** or ACTON as well as FRM77 itself, can also be used as the prior Command Code. **REQ77** is valid for IMF, IRAF, BMF, NMF, and EPMF.

Example:

Used to generate one transaction on **CC FRM77**:

REQ77 00-1236547
02 202412
VIOL

Response screen: shaded information was input.

Note: When inputting REQ77 follow local procedures for input of posting delay cycle.

```
FRM77 00-1236547  MFT>02 TX-PRD>202412 PLN-NUM>  NM-CTRL>VIOL
TC>460  TRANS-REGISTER-IND>  PSTNG-DLAY-CD>1
EXTENSION-DT>08152025 TC93X-EMP-CD>  TRANS-DT>08152025
CLOSING-CD>  RESP-UNIT/JURISDICTION-CD> TC148-CD>  BANKRUPT-CD
DLN-CD>20  BL-LOC-CD>  LAST-RET-AMT-CD>
CYCLE>  APP-OFF-CD>  CSED-CD>  BOD-CD>  BOD-CLIENT-CD>
SEQ-NUM>  REVERSAL-DLN>  SECONDARY-DT>
CAF-CD>  TC971/151-CD>  TC550-DEFINER-CD>  FEMA-NUM>
ULC>  FREEZE-RELEASE-AMT>  ABA-NUM>
TC46X-GRP-CD>  TC583-DEFINER-CD>
XREF-TIN>  XREF-NM-CTRL>
XREF-TX-PRD>  XREF-PLN-NUM>  XREF-MFT>  MISC>
```

When inputting TC 460, a DLN Code is required for extensions.

<u>MFT</u>	<u>EXTENSION APPROVED</u>	<u>EXTENSION DISAPPROVED</u>
30	10	17
02, 33, OR 34	20	25
05 OR 06	45	47

Exhibit 3.12.38-34 (Cont. 1) (01-01-2025)
Inputting Miscellaneous Transactions

INPUTTING MISCELLANEOUS TRANSACTIONS (CONTINUED - 1)

CC FRM7A can be used to input multiple transactions. A maximum of 21 transactions can be input per screen display.

REQ77A

Response screen:

```
FRM7A TRC I
TIN  NAME MF TAXPRD CC MMDDYYYY  XXX C P
```

Input screen:

```
FRM7A 460
TIN          NAME   MF  TAXPRD   CC   MMDDYYYY   XXXC P
00-6876543   GREY  05  202412   CC   03152025   45
00-1357902   GOLD  06  202412   CC   03152025   45
00-2344441   SCAR  33  202412   CC   03152025   20
00-1067722   RED   02  202406   CC   12152025   20
00-1663344   BROW  34  202412   CC   10152025   20
00-1062684   ROSE  06  202403   CC   03152025   45
```

Exhibit 3.12.38-35 (01-01-2025)**Due Dates of Returns**

Due dates are calculated from the tax period ending dates, unless otherwise stated.

Reminder: If the due date for returns falls on a weekend or holiday, the due date is the next business day. If April 15th is on a Sunday and Monday, April 16th is a holiday, then the due date is Tuesday, April 17th.

Return	MFT	Due Date
<ul style="list-style-type: none"> • 1040 • 1040A • 1040C • 1040-EZ • 1040-PC • 1040-PR • 1040-SR • 1040-SS 	30	3 1/2 months
1040-NR	30	5 1/2 months
<ul style="list-style-type: none"> • 706 • 706NA 	52	9 months from Date of Death (DOD)
<ul style="list-style-type: none"> • 706A • 706D 	53	6 months after date of disposition
706-GS(D)	78	April 15th, of the year following the calendar year in which the termination occurs.
706-GS(T)	77	April 15th, of the year following the calendar year in which the termination occurs.
<ul style="list-style-type: none"> • 709 • 709-NA 	51	3 1/2 months
<ul style="list-style-type: none"> • 940 • 940PR 	10	Last day of the month following the tax period ending
941 Series	01	Last day of the month following the end of a quarter
<ul style="list-style-type: none"> • 943 • 943PR 	11	Last day of the month following the tax period ending
<ul style="list-style-type: none"> • 944 • 944PR • 944SS 	14	Last day of the month following the tax period ending
945	16	February 10th following end of tax period if payments were made timely all year. If not the January 31st.

Exhibit 3.12.38-35 (Cont. 1) (01-01-2025)

Due Dates of Returns

Return	MFT	Due Date
<ul style="list-style-type: none"> • 990 • 990EZ 	67	4 1/2 months
990-T	34	3 1/2 months
<ul style="list-style-type: none"> • 1041 • 1041A 	05	3 1/2 months
1042	12	2 1/2 months
1065	06	3 1/2 months
<ul style="list-style-type: none"> • 1120 • 1120-F • 1120-FSC • 1120-H • 1120-L • 1120-ND • 1120-PC • 1120-REIT • 1120-RIC • 1120-SF 	02	4 1/2 months Effective beginning in TY 2016.
1120-C	02	9 1/2 months
<ul style="list-style-type: none"> • 8038 • 8038-G • 8038-GC 	46	1 1/2 months Exception: 8038-GC Consolidated Return due date is February 15
8288	17	20 days after the Date of Transfer
8804	08	2 1/2 months after the end of the Partnership tax year.

See Document 6209 for a more complete listing.

Exhibit 3.12.38-36 (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
AAC	Agricultural Activity Code (See NAICS)
ABS	Abstract Number (Excise Tax)
AC	Action Codes
ACA	Affordable Care Act
ACI	Automated Criminal Investigation
ACS	Automated Collection System
ADCS	Automated Document Control System
ADH	Automated Document Handling
ADJ	Adjustment
ADM	Administrator
ADP	Automatic Data Processing
ADSI	Automated Delete Status Indicator
AES	Automated Examination System
AGI	Adjusted Gross Income
AI	Annualized Income
AIL	Additional Information Line
AIMF	Automated Information Management File
AIMS	Automated Information Management System
AKA	Also Known As
AM	Accounts Management
AMT	Alternative Minimum Tax
ANMF	Automated Non Master File
AO	Area Office
AP	Adjustment Pending
APFD	Alaska Permanent Fund Dividend
APO	Army Post Office
ASED	Assessment Statute Expiration Date
ASFR	Automated Substitute for Return
ATS	Abusive Tax Shelter
AUR	Automated Under-reporter

Exhibit 3.12.38-36 (Cont. 1) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
AUSC	Austin Submission Processing Center
BCC	Business Operating Division Client Code
BCS	Block Count Sheet
BEITC	Business Energy Investment Tax Credit
B&F	Business & Farm
BFS	Bureau of Fiscal Services (formerly Financial Management Services (FMS))
BHR	Block Header Record
BMF	Business Master File
BOB	Block Out of Balance
BOD	Business Operating Division
BPD	Branded Prescription Drugs
BPI	Bypass Indicator
BPL	Block Proof List
BPR	Block Proof Record
BS	Blocking Series
BTIF	Business Taxpayer Information File
BWH	Backup Withholding
CAF	Centralized Authorization File
CAS	Correspondence Action Sheet
CAS	Customer Account Services
CAWR	Combined Annual Wage Reporting
CC	Closing Code
CC	Command Code
CCA	Case Control Activity
CCC	Computer Condition Code
CCU	Cycle Control Unit
C&E	Code and Edit
CCC	Computer Condition Code
CDP	Collection Due Process
CFOL	Corporate Files Online

Exhibit 3.12.38-36 (Cont. 2) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
CI	Criminal Investigation
CII	Correspondence Imaging Inventory
C/O	Care of
COA	Change of Address
CONS	Conservator
CP	Computer Paragraph
CPA	Certified Public Accountant
CRD	Correspondence Received Date
CRN	Credit Reference Number
DC	Dishonored Check
DC	Document Code
DCC	Detroit Computing Center
DCF	Dishonored Check File
DD	Direct Deposit
DECD	Deceased
DLN	Document Locator Number
DPO	Diplomatic Post Office
DPO	Document Perfection Operation
DLN	Document Locator Number
DOD	Date of Death
DPO	Diplomatic Post Office
DP	Data Processing
DPC	Designated Payment Code
DTR	Daily Transaction Register
EAN	Entity Account Number
EC	Employment Code
ED	Establishment Date
EEFax	Enterprise Electronic Fax
E-File	Electronically File
e.g.	For Example
EFDS	Electronic Fraud Detection System

Exhibit 3.12.38-36 (Cont. 3) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
EFT	Electronic Funds Transfer
EFTPS	Electronic Federal Tax Payment System
EIC	Earned Income Credit
EIF	Entity Index File
EIN	Employer Identification Number
ELF	Electronic Filing System
EMFOL	Employee Plans Master File Online
EO	Exempt Organization
EOMF	Exempt Organization Master File
EOCU	EO Compliance Unit
EPMF	Employee Plans Master File
ERAS	EIN Research and Assignment System (IDRS)
ERF	Employer Return File
ERS	Error Resolution System
ES	Estimated Tax (Forms 1120 and 1041)
ESPI	Estimated Tax Penalty Indicator
ESBT	Electing Small Business Tax
etc.	Et Cetera
ETEC	Excise Tax e-filing and Compliance
EXEC	Executor/Executrix
EUP	Electronic User Portal
Exam	Examination
FAX	Facsimile
FDB	Fraud Detection Branch
FF	Frivolous Filer
FICA	Federal Insurance Contribution Act
FIN	Fiduciary Identification Number
FLC	File Location Code
FM	Fiscal Month
FMV	Fair Market Value
FOF	Fact of Filing

Exhibit 3.12.38-36 (Cont. 4) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
FOI	Freedom of Information
FP	Full Paid
FPO	Fleet Post Office (Foreign Post Office)
FRB	Federal Reserve Bank
FRC	Federal Records Center
FRP	Frivolous Return Program
FTF	Failure To File
FTP	Failure to Pay
FUTA	Federal Unemployment Tax Act
FY	Fiscal Year
FYE	Fiscal Year Ending
FYM	Fiscal Year Month
GMF	Generalized Mainline Framework
GPP	General Purpose Programming
GUF	Generalized Unpostable Framework
HC	Hold Code
HQ	Headquarters
HSH	Household Employee
HTF	Highway Trust Fund Form 2290
IAT	Integrated Automation Technologies
ICS	Integrated Collection System
ID	Identification or Identity
IDRS	Integrated Data Retrieval System
IMF	Individual Master File
IRA	Individual Retirement Account
IRC	Internal Revenue Code
IRM	Internal Revenue Manual
IRS	Internal Revenue Service
ISRP	Integrated Submission and Remittance Processing
ITIF	Individual Taxpayer Information File
ITIN	Individual Taxpayer Identification Number

Exhibit 3.12.38-36 (Cont. 5) (05-22-2024)

Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
KCSPC	Kansas City Submission Processing Center
KIF	Key Index File
KITA	Killed in Terrorist Action
LB&I	Large Business and International
MeF	Modernized Electronic Filing
LEM	Law Enforcement Manual (Office Use Only IRM)
MCC	Major City Code
MCC	Martinsburg Computing Center
ME	Math Error
MeF	Modernized E-File
MFR	Master File Requirements
MFT	Master File Transaction
MIR	Management Information Report
MMDDYY	Month Month Day Day Year Year
NAI	National Account Index
NAICS	North American Industry Classification System
N/A	Not Applicable
NARA	National Archives and Records Administration
NDC	National Distribution Center
NAP	National Account Profile
NECT	Non-Exempt Charitable Trust
NIF	Not in File
NIIT	Net Investment Income Tax
NOL	Net Operating Loss
NQ	Non-Qualifying
NR	No Remittance
NRPS	Notice Review Processing System
NR	No Record
NU	Nullified Unpostables
OBL	Outstanding Balance List
OC	Other Country

Exhibit 3.12.38-36 (Cont. 6) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
OFP	Organization Functions and Programs
OIC	Offer in Compromise
OID	Original Issue Discount
OLE	Online Entity
OSPC	Ogden Submission Processing Center
PANF	Plan Account Number File
PAO	Penalty Appeals Officer
PBA	Principal Business Activity
PC	Process Code
PCCF	Plan Case Control File
PCD	Program Completion Date
PCS	Partnership Control System
PDS	Private Delivery Service
PDT	Potentially Dangerous Taxpayer
PER REP	Personal Representative
PE	Program Error
PE	Production Evaluation (Now Quality Alert)
PINEX	Penalty and Interest Explanations
PMF	Payer Master File
P.O.	Post Office
POA	Power of Attorney
PTIN	Preparer Tax Identification Number
PTP	Publicly Traded Partnerships
PY	Prior Year
PY	Processing Year
RA	Revenue Agent
QDT	Qualified Disability Trust
QFT	Qualified Funeral Trust
QSSS	Qualified Subchapter S Subsidiary
R&C	Receipt and Control

Exhibit 3.12.38-36 (Cont. 7) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
RAF	Reporting Agents File (Employment and Unemployment)
RC	Reason Code
RCC	Return Condition Code
RCS	Records Control Schedules, Document 12990, IRS Records Control Schedules.
RDD	Return Due Date
REC	Residential Energy Credit
Rec'd	Received
REF	Refund Information File
REMIC	Real Estate Mortgage Investments Conduits
Rev. Proc.	Revenue Procedure
RF	Retention File
RICS	Returns Inventory and Classification System
RO	Revenue Officer
ROFT	Record of Federal Tax
RPC	Return Processing Code
RPD	Return Processing Date
RPS	Remittance Processing System
RRA98	Restructuring and Reform Act of 1998
RRB	Railroad Retirement Benefits
RRPS	Residual Remittance Processing System
RRTA	Railroad Retirement Benefits Tax Act
RSED	Refund Statute Expiration Date
SB/SE	Small Business & Self-Employed
SC	Service Center (now Campus)
SCAMPS	Service Center Automated Mail Processing System
SCCF	Service Center Control File
SCME	Service Center Math Error
SCR	Service Center Rejects
SCRS	Service Center Replacement System

Exhibit 3.12.38-36 (Cont. 8) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
SCTN	Service Center Taxpayer Notice
SCUP	Service Center Unpostable
SCRIPS	Service Center Recognition/Image Processing System
SD	Source Document
SDF	Source Document Folders (IDRS)
SE	Self-Employment
SERP	Servicewide Electronic Research Program (SERP)
SFR	Substitute for Return
SLA	Service Level Agreement
SOI	Statistics of Income
SP	Submission Processing
SPC	Submission Processing Campus
SSI	Supplemental Security Income
SSN	Social Security Number
SST	Social Security Tax
STEX	Statute Expired
TAS	Taxpayer Advocate Service
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TC	Tax Class
TCC	Tennessee Computer Center
TCC	Transmittal Control Code
TDA	Taxpayer Delinquency Account
TDI	Taxpayer Delinquency Investigation
TE	Tax Examiner
TE/GE	Tax Exempt & Government Entities
TEI	Tax Exempt Interest
TEP	Tape Edit Process
TETR	Telephone Excise Tax Refund
TIA	Taxpayer Information Authorization

Exhibit 3.12.38-36 (Cont. 9) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
TIF	Taxpayer Information File
TIN	Taxpayer Identification Number
TOP	Treasury Offset Program
TP or T/P	Taxpayer
TPC	Third Party Contact
TPE	Tax Period Ending
TPC	Third Party Contact
TPI	Total Positive Income
TPNC	Taxpayer Notice Code
TR	Trustee
TS	Taxpayer Services Note: April 2024, Wage and Investment (W&I) changed to Taxpayer Services.
TXI	Taxable Income
TY	Tax Year
UA	Unavailable
UCC	Uniform Commercial Code
UP	Unpostables
UPC	Unpostable Code
URC	Unpostable Resolution Code
URF	Unidentified Remittance File (IDRS)
URP	Under-reported Program
U.S.	United States
USPS	United States Postal Service
W	Waiver
WIR	Wage Information Retrieval System
WPT	Windfall Profit Tax
WT	Withholding Tax
XSF	Excess Collection File
ZIP	Zone Improvement Plan

Exhibit 3.12.38-36 (Cont. 10) (05-22-2024)
Acronyms and Abbreviations

Acronyms and Abbreviations	Definition
ZTIF	Miscellaneous Taxpayer Information File (IRA, EPMF, ANMF)

E

ERS Inventory Control Report

ERS 1747183

S

SCRS Action Code 088

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Transshipping Returns58

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Unpostable Code 307 RC 1196
