



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

5.1.2

MARCH 8, 2023

## EFFECTIVE DATE

(03-08-2023)

## PURPOSE

- (1) This transmits a revision to IRM 5.1.2, Field Collection Procedures, Remittances, Form 809, and Designated Payments.

## MATERIAL CHANGES

- (1) IRM 5.1.2.3.4 has been updated to provide new hyperlinks on the protection of Personally Identifiable Information (PII).
- (2) IRM 5.1.2.5.5.2 has been updated to provide new hyperlinks on reporting lost information.
- (3) IRM 5.1.2.6 (1) was updated to include checking IDRS for correct interest amounts when posting payments to specific modules.
- (4) IRM 5.1.2.6.6.2 was updated to include updated OIC processing requirements from IRM changes.
- (5) IRM 5.1.2.7.4.3 was updated to provide additional context on the Same Day Wire payment system.
- (6) Minor editorial changes have been made throughout this IRM. Website addresses, legal references, and IRM references were reviewed and updated as necessary.

## EFFECT ON OTHER DOCUMENTS

This IRM supersedes IRM 5.1.2, Remittances, Form 809, and Designated Payments, published August 20, 2021. . This revision incorporates several minor updates to contact information and telephone numbers since August 2021.

## AUDIENCE

Revenue officers in SB/SE Field Collection (FC).

Kareem Williams  
Director, Collection Policy  
Small Business/Self Employed



5.1.2

Remittances, Form 809 and Designated Payments

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5.1.2.1  
(08-20-2021)  
**Program Scope and Objectives**

- (1) **Purpose.** This IRM provides procedures for Field Collection (FC) remittance processing. All remittances secured by Field Collection (FC) employees (whether in the field or in the office, whether in person or by mail) must be transmitted promptly to meet IRS goals for timely deposit. See Title 31, U.S. Code Section 3302.
- (2) **Audience.** These procedures are intended for revenue officers; however, other employees in Small Business/ Self-Employed (SB/SE) and employees in other functions may also refer to these procedures.
- (3) **Policy Owner.** SB/SE Director, Collection Policy.
- (4) **Program Owner.** Global Strategic Compliance is the program owner of this IRM.
- (5) **Primary Stakeholders.** Field Collection.
- (6) **Program Goals.** This guidance is provided to dictate how field groups process various payments and tax returns. By following the procedures in this IRM, users will be able to follow the requirements to ensure timely processing of taxpayer payments and returns.
- (7) **Contact Information.** Recommendations and suggested changes to this IRM should be emailed to the product owner. The owner is indicated on the Product Catalog Information page which is found under the Forms & Publications tab, Media & Publications tab, the Forms/Pubs/Products Repository link, Reference tab, and Internal Revenue Manual link.

5.1.2.1.1  
(08-20-2021)  
**Background**

- (1) This IRM section contains procedures, guidance, and information primarily for revenue officers. Procedures for managers and clerical staff are incorporated under the applicable subsection. The content includes remittance processing requirements and oversight procedures for control over this process.

5.1.2.1.2  
(08-20-2021)  
**Authority**

- (1) Title 31 US Code Section 3302, Custodians of Money.
- (2) Document 12990, IRS Records Control Schedules.

5.1.2.1.3  
(08-20-2021)  
**Program Reports**

- (1) There are a number of controls surrounding these processes, to ensure that remittances are posted timely and correctly. These include procedures involving 809 receipts, the processing of forms 795, the shipment of remittances to the teller, and the teller's issuance of teller errors.
- (2) The teller issues Form 5919, Teller's Error Advice reports for instances of late or missing remittances and/or returns. These are issued to the group manager of the employee being referred. The Form 5919 Teller's Error Advice report is provided to each territory manager and to each field collection area on a monthly basis.

5.1.2.1.4  
(08-20-2021)  
**Program Controls**

- (1) Field Collection management conducts an annual audit of every Form 809 receipt book. This information is rolled up through the E-Trak 809 system.
- (2) Field Collection management conducts a yearly review of reconciled forms 795 and 3210 as part of their individual controls to ensure compliance with this IRM.

5.1.2.1.5  
(08-20-2021)

**Program Effectiveness**

- (1) This program is measured for effectiveness through yearly audits conducted by each field collection territory manager as part of their group controls reviews.
- (2) The territory managers are also involved as a final approver in the Form 809 reconciliation conducted each year.

5.1.2.1.6  
(08-20-2021)

**Acronyms**

- (1) The table below lists commonly used acronyms and their definitions referenced throughout this IRM:

Acronym	Definition
ABA	American Banking Association
ACS	Automated Collection System
ALS	Automated Lien System
AMS	Account Management System
Bal Due	Balance Due
BMF	Business Master File
BOD	Business Operating Division
BR	Business Reply
BSA	Bank Secrecy Act
CAP	Collection Appeal Program
cc	Closing Code
CC	Command Code
CCP	Centralized Case Processing
CDP	Collection Due Process
CI	Criminal Investigation
CASS	Collection Automation Support & Security
CLO	Centralized Lien Operation
CNC	Currently Not Collectible
CR	Courtesy Reply
CSED	Collection Statute Expiration Date
CSIRC	Computer Security Incident Response Center
CTR	Currency Transaction Report
Del Ret	Delinquent Return
DLN	Document Locator Number
DPC	Designated Payment Codes
ECC	Enterprise Computing Center

Acronym	Definition
EFTPS	Electronic Federal Tax Payment System
EGC	Employee Group Code
EIN	Employer Identification Number
EQRS	Embedded Quality Review System
ES	Estimated Payment
FC	Field Collection
FORT	Field Office Resource Team
FTP	Failure to Pay
GM	Group Manager
ICS	Integrated Collection System
IDRS	Integrated Data Retrieval System
IMD	Internal Management Document
IMF	Individual Master File
IRS	Internal Revenue Service
LB&I	Large Business & International
MCAR	Mutual Collection Assistance Request
MFT	Master File Transaction
NFTL	Notice of Federal Tax Lien
NMF	Non-Master File
NQRS	National Quality Review System
OIC	Offer in Compromise
OJI	On the Job Instructor
OL5081	Online Form 5081
PBC	Primary Business Code
PII	Personally Identifiable Information
POA	Power of Attorney
POD	Post of Duty
PTIN	Preparer Taxpayer Identification Number
RA	Revenue Agent
RCS	Records Control Schedule

Acronym	Definition
RO	Revenue Officer
RSC	Remittance Security Coordinator
SB/SE	Small Business/Self Employed
SBC	Secondary Business Code
SEID	Standard Employee Identification Number
SERP	Servicewide Electronic Research Program
SFR	Substitute for Return
SRP	Shared Responsibility Payment
SSA	Social Security Administration
SSN	Social Security Number
TAS	Taxpayer Advocate Service
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TE	Tax Examiner
TEGE	Tax Exempt & Government Entities
TFRP	Trust Fund Recovery Penalty
TIF	Taxpayer Information File
TIN	Taxpayer Identification Number
TIGTA	Treasury Inspector General for Tax Administration
TPC	Third Party Contact
UNAX	Unauthorized Access
USR	Unit Security Representative

5.1.2.1.7  
(08-20-2021)

#### Related Resources

(1) IRM resources include:

- IRM 1.4.6, Managers Security Handbook
- IRM 1.4.50, Collection Group Manager, Territory Manager and Area Director operational aid
- IRM 3.0.167, Losses and Shortages
- IRM 3.8.44, Campus Deposit Activity
- IRM 3.8.45, Manual Deposit Process
- IRM 3.8.47, Manual Deposit for Field Office Payment Processing
- IRM 5.1.3.7.3, Property and Records Protection
- IRM 5.1.5, Balancing Civil and Criminal Cases

- IRM 5.1.8, Courtesy Investigations
- IRM 5.1.12.2, Disaster Assistance and Emergency Relief
- IRM 5.5.7, Collecting Estate and Gift Tax Accounts
- IRM 5.8.2, Centralized Offer in Compromise Initial Processing and Processability
- IRM 5.10.3, Conducting the Seizure
- IRM 5.10.4, Actions Prior to Sale
- IRM 5.10.6.2, Application of Proceeds of Levy
- IRM 5.10.6.7, Surplus Sale Proceeds
- IRM 5.11.2.3, Releasing Levies
- IRM 5.11.5, Levy on Wages, Salary, and Other Income
- IRM 5.12.3.3.1, Liability is Satisfied-IRC 6325(a)(1)
- IRM 10.2.15.2, Protected Items/Data
- IRM 10.5.1, Privacy and Information Protection, Privacy Policy
- IRM 10.5.4.3, Reporting Losses, Thefts and Disclosures

(2) Web resources include:

- *Taxpayer Bill of Rights*
- *Post of Duty List*
- *Field Office Payment Processing page*

(3) The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights*.

5.1.2.2  
(06-20-2013)  
**Remittance Processing  
Overview**

(1) Submission Processing is responsible for processing the remittances. See the Field Office Payment Processing page website at: *SP Center Field Office Payment Processing Key Contacts and Liaisons*. This site provides a list of the key remittance processing contacts and additional information.

**Note:** Much of the information contained on the web site is designated “Official Use Only (OUO)” and the information is primarily for FC employees.

(2) Form 795/795A, Daily Report of Collection Activity, is used to transmit remittances. Remittances must be sent to the appropriate designated Submission Processing Center on the day they were collected or as soon as possible the next business day to meet Service goals for timely deposit and avoid unnecessary delays in processing. See IRM 5.1.2.5, Daily Report of Collection Activity — Form 795/795A for further information on report procedures.

**Note:** Local management is responsible for establishing a procedure to handle the processing of remittances and returns that are directed to employees who are away from the office per IRM 5.1.2.4(3).

5.1.2.3  
(01-24-2012)  
**Physical Security  
Controls**

(1) All employees and managers are required to adhere to the minimum protection standards for remittances, set forth in the following three IRM sections:

1. IRM 10.2, Physical Security Program — specifies physical security controls.

2. IRM 1.4.6, Managers Security Handbook — provides guidelines for management when performing their role to ensure established security standards are followed.
3. IRM 3.0.167, Losses and Shortages — provides procedures for losses and shortages of tax collections, disbursement losses, deposit discrepancies, and transfer of accountability.

(2) The following items must be safeguarded at all times:

- Remittances, in whatever form
- Form 809, Receipt for Payment of Taxes
- The official “Received” date stamp
- Personally Identifiable Information (PII)

5.1.2.3.1  
(08-20-2021)  
**Remittances**

- (1) Ensure money and securities, etc., are safeguarded at all times, while in the office, on Telework, and/or making field calls. Follow the procedures displayed in the table below for safeguarding remittances.

***Safeguarding Remittances***

<b>In the Office</b>	<b>Telework</b>	<b>Field Calls by Car</b>	<b>Field Calls by Public Transportation</b>
Each office is responsible for developing procedures to address physical security controls over remittances while they are in the custody of Field Collection (FC) employees because physical security facilities vary. In general, to safeguard remittances, place the remittances in a safe or a designated locking desk drawer or file cabinet.	Under the National Agreement, “At a minimum, this will require that all records and data be kept under lock and key when not in the possession of the employee.” Provide and use some type of locking desk drawer or file cabinet to safeguard remittances. See Article 50 Section 5 B of the National Agreement.	Place remittances in a locked compartment of the vehicle.	Place remittances in a locked brief case or other secure place.

- (2) Date-stamp remittances for the business day they are received.

- (3) Use traceable overnight service or other approved method for shipment of remittances, returns, and posting documents to ensure the security of tax receipts during transit.
- (4) Follow up when the Submission Processing Teller Unit doesn't acknowledge receipt within 14 workdays per IRM 5.1.2.5.5.1, Form 3210 and Form 795/795A Follow Up, unless otherwise directed as discussed in IRM 5.1.2.4.5.1 (5)

5.1.2.3.2  
(09-26-2014)  
**Form 809**

- (1) Form 809, Receipt for Payment of Taxes, is a receipt book that contains receipts to issue to taxpayers (customers) who request a receipt for cash (or check) payment of their taxes. Safeguard Form 809 at all times.
- (2) Form 809 receipt books are required to be returned to the issuing Submission Processing Center when the employee is no longer eligible for an 809 receipt book.

**Example:** Revenue officer changes position, moves to a field office in another Area, or separates from the IRS.

**Note:** Managers must include the return of the Form 809 receipt book as part of the clearance process upon an employee's separation from the IRS.

**Note:** A revenue officer selected to perform On-the-Job-Instructor (OJI) duties is not considered a change in position that would require the issuance or return of the Form 809 receipt book.

5.1.2.3.3  
(06-20-2013)  
**Official Received Date Stamp**

- (1) The official Received date stamp is used to record received dates for remittances and secured returns.
- (2) Safeguard the official Received date stamp at all times. Keep it in a secure office location when not in use to protect assigned stamps against unauthorized or indiscriminate use.

**Caution:** Provide the stamp with high security.

- (3) The official Received date stamp should contain the following elements:

- Internal Revenue Service
- Received
- Month, Day, Year
- Area Director (City, State)

**Note:** Received date stamps which have the "office location" rather than the Area Director location are acceptable.

**Note:** Handwritten (legible) recordation of the received date information is also acceptable as long as it contains all of the elements listed above, employee signature, and employee title. A date stamp in addition to the handwritten recordation is not needed.

- (4) When you use the date stamp:

- a. Place the date stamp in the middle of the front page of a secured return (or other document that requires a date stamp).
  - b. Make sure the stamp placement will not obscure any information that the taxpayer wrote/printed/entered on the return/document.
- (5) If a document is date-stamped in error, cross-out the incorrect date and initial the correction. This is a necessary step because the Data Conversion employees (who are on production by document) are not required to turn documents over, and the IRS must maintain received date integrity.

#### 5.1.2.3.4 (03-08-2023)

#### Personally Identifiable Information

- (1) Personally Identifiable Information (PII) is a specific type of sensitive information that includes the personal data of taxpayers, IRS employees, contractors, job applicants, and visitors to IRS offices. Safeguard PII at all times. See IRM 10.5.1.2.3, Personally Identifiable Information (PII), and IRM 10.5.1.2.3.1, Examples and Categories of PII.
- (2) Protect Sensitive But Unclassified (SBU) data, (including PII and tax information), at all times. Any loss, theft, or inadvertent unauthorized disclosure of SBU data, including (PII and tax information), could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual or the IRS, including the possibility of the information being used to commit identity theft. Harm includes any adverse effects experienced by an individual whose PII was compromised, or adverse effects to the IRS such as a loss of public confidence. To learn more about protecting PII, deterring identity theft, and reporting data breaches, visit the *Report Losses, Thefts or Disclosures* page in the *Disclosure and Privacy Knowledge Base* site.
- (3) Report immediately if you suspect or know of a potential PII loss (including the loss of a deposit package).

**Example:** A check was mailed to the Submission Processing Center but it was never received. This would be a reportable PII incident.

- (4) Report a PII loss, in the following order, to:
  1. Your manager.
  2. The Privacy, Governmental Liaison and Disclosure Incident Management Office using the *PII Breach Reporting Form*. Visit the *Report Losses, Thefts or Disclosures* page in the *Disclosure and Privacy Knowledge Base* site for additional information and guidance concerning incident/ data breach reporting requirements.
  3. The Treasury Inspector General for Tax Administration (TIGTA) by calling 800-366-4484.

#### 5.1.2.3.5 (09-26-2014)

#### Payment Loss Procedures

- (1) Report any loss to your manager immediately if you:
  - experience a cash shortage.
  - receive counterfeit funds.
  - are missing negotiable checks or other instruments.
  - are missing seized property.
- (2) For additional information relating to payment loss, refer to:
  - IRM 5.1.3.7.3, Property and Records Protection.
  - IRM 3.0.167, Losses and Shortages.

- IRM 5.1.2.3, Physical Security Controls.

- (3) Report any potential theft or embezzlement to:
  - a. The Treasury Inspector General for Tax Administration (TIGTA) , per IRM 5.1.2.3.6.1, Report to TIGTA and
  - b. Remittance Security Coordinator (RSC) at the designated Submission Processing Center.
- (4) Prepare a brief narrative report.
- (5) Send the report (and attachment(s)) to TIGTA per IRM 5.1.2.3.6.1, Report to TIGTA.

**Note:** TIGTA will conduct an investigation and report the results of the investigation.

- (6) Send a copy of the report (and attachments) to the RSC.

**Note:** The RSC will monitor the loss and take steps to ensure relief is granted to the taxpayer expeditiously. The RSC will control the case and protect the taxpayer from incorrect notices while TIGTA conducts its investigation. The RSC will ensure that incorrect penalties and/or interest are abated.

5.1.2.3.5.1  
(06-20-2013)  
**Replacement Check**

- (1) Request a replacement check from the taxpayer, if applicable.
- (2) Prepare Form 795/795A, Daily Report of Collection Activity, to submit the replacement check (with the current date).
- (3) Complete Form 3465, Adjustment Request.
- (4) Attach Form 3465 to the replacement check to request that the interest and penalty be abated.
- (5) Send the replacement check and Form 3465 with Form 795 /795A, to Submission Processing.

**Note:** The remittance perfection technician will post the check with the current date. Form 5919, Teller's Error Advice, will not be issued for the replacement check unless other error conditions exist.

- (6) For lost remittances that are subsequently discovered a replacement is not necessary. Follow the same procedures above as if the remittance was a replacement.

**Exception:** If the remittance has an expiration date and the current date is beyond it, then follow the procedures above to request and process a replacement remittance.

5.1.2.3.6  
(09-26-2014)  
**Stolen and/or Altered  
Remittance**

- (1) Sometimes a taxpayer will provide evidence that a remittance that he/she gave or sent to the IRS has been stolen and/or altered.

- (2) Identify a stolen or altered remittance by the characteristics displayed in the table below:

***Identifying a Stolen or Altered Remittance***

Type of Remittance	Characteristics
Altered Remittance	<ul style="list-style-type: none"> <li>Endorsed or made payable to someone else (other than Treasury or IRS) May include changes to money amount</li> </ul>
Stolen Remittance	<ul style="list-style-type: none"> <li>May or may not be cashed May have been stolen to steal the taxpayer's identity</li> </ul>

- (3) Report any potential theft or embezzlement to:
- The Treasury Inspector General for Tax Administration (TIGTA) , per IRM 5.1.2.3.6.1, Report to TIGTA, and
  - Remittance security coordinator (RSC) at the designated Submission Processing Center.

**Note:** A list of remittance security coordinators can be found at: *Security - Remittance Security Coordinators Information*.

- (4) If a taxpayer provides evidence that a remittance has been stolen and/or altered.
- Obtain a written statement from the taxpayer that the original negotiable instrument was made payable to the United States Treasury (or Internal Revenue Service (IRS)) and sent to IRS.
  - Input transaction code (TC) 470 on the impacted module(s).
  - Prepare a brief narrative report.
  - Photocopy both sides of the original negotiable instrument made payable to someone other than the IRS and retain a copy of the evidence in the case file with the report.

**Note:** Retain the original negotiable instrument in your case file unless TIGTA instructs you to send it to them by mail.

- Obtain a photocopy of the customer's receipt if the stolen or altered remittance was a money order, cashier check, etc.

**5.1.2.3.6.1  
(07-13-2010)  
Report to TIGTA**

- Send the report (and attachment(s)) to Treasury Inspector General for Tax Administration (TIGTA) and TIGTA will conduct an investigation and report the results of the investigation.
- Make a report to the TIGTA hotline by one of the following methods:

Method of Contact	Contact Information

Online	Complete and submit the online form on TIGTA's web page at: <a href="http://www.treas.gov/tigta/contact_report.shtml">http://www.treas.gov/tigta/contact_report.shtml</a>
E-mail	Send a secure E-mail message to the TIGTA Hotline Complaints Unit at: <a href="mailto:Complaints@tigta.treas.gov">Complaints@tigta.treas.gov</a>
Telephone	1-800-366-4484
Fax	1-202-927-7018
Mail	Treasury Inspector General for Tax Administration Hotline PO Box 589 Ben Franklin Station Washington, DC 20044-0589

• :

5.1.2.3.6.2  
(09-26-2014)  
**Report to the RSC**

- (1) Send a copy of the report (and attachments) to the Remittance Security Coordinator (RSC). The RSC will control the case and protect the taxpayer from incorrect notices while TIGTA conducts its investigation. The RSC will ensure that incorrect penalties and/or interest are abated.
- (2) Obtain the name and telephone number of the RSC contact by checking the Submission Processing Remittance Security website at: *Security - Remittance Security Coordinators Information*.

5.1.2.4  
(08-15-2008)  
**Timeliness of Remittances**

- (1) Remittances are due at the Submission Processing Center within **3** business days from the date the IRS received the funds. The timeliness criteria are based on Title 31, U.S. Code Section 3302. In general, any employee receiving a remittance from a taxpayer must transmit the remittance the same day as received or as soon as possible the next business day to ensure receipt in the designated Submission Processing Center within 48 hours of receipt from the taxpayer. One additional day is allowed for cash conversion.
- (2) An overnight traceable method of shipping remittances to Submission Processing is required to ensure the earliest deposit to the Treasury.
- (3) The Service recognizes that an overnight traceable method is not always available to revenue officers in the field or outside of the continental United States, so remittances may need to be transmitted using regular mail or overseas mail, as applicable. In those instances additional mailing time is allowed.
  - a. **Five** business days are allowed (from the date the revenue officer collected the funds) for transmitting remittances to the designated Submission Processing Center via regular mail.
  - b. **Seven** business days are allowed (from the date the revenue officer collected the funds) for transmitting remittances to the designated Submission Processing Center from overseas (all locations outside the continental United States, including Alaska and Hawaii).

- (4) Annotate the Form 795, Daily Report of Collection Activity, to alert the remittance processor at the Submission Processing Center to apply the extended timeliness criteria, as displayed in the following table.

***Extended Processing Time Annotations***

Criteria	Annotation
5-day	NOT SENT VIA OVERNIGHT MAIL
7-day	SENT VIA OVERSEAS MAIL

- (5) Follow the procedures below to prepare and submit Form 795/795A, Daily Report of Collection Activity .

**Reminder:** Maintain an adequate supply of overnight envelopes while on field calls to facilitate timeliness of remittances.

5.1.2.5  
(08-20-2021)  
**Daily Report of  
Collection Activity -  
Form 795/795A**

- (1) A Form 795/795A, Daily Report of Collection Activity, is prepared each day that payments and/or returns are secured, or as soon as possible the next business day.
- (2) You must make alternate arrangements for processing remittances and/or returns received by mail while you are on leave or otherwise away from the office.
- (3) Local management is responsible and must ensure a procedure exists to handle the timely processing of remittances and returns for those employees who are away from the office. Local management may designate an employee to handle the processing of remittances and returns for those employees who are away from the office; for example designating a Revenue Officer of the Day.

**Note:** If, during a revenue officer's absence, a remittance was not processed timely per local management's established procedure, the employee transmitting the remittance(s) may annotate "IRM 5.1.2.4(3)" on the Form 795/795A or posting voucher when submitting such remittance(s). When this occurs a Form 5919, Teller's Error Advice, may be issued despite the annotation on the posting voucher or Form 795/795A. The notation can help in routing and resolving the Form 5919.

- (4) To ensure segregation of duties, when practical, two employees must be involved in remittance processing. The two employees will normally be a poster and a mailer. Ensure the poster, the employee who prepares the payment posting vouchers and Form 795/795A, is not the same employee as the mailer, who prepares and mails the transmittal package, including preparing the Form 3210, Document Transmittal, when there are multiple envelopes in the transmittal package.

**Exception:** If only one employee is in the office on a day payments are received then process according to IRM 5.1.2.4.3(4)b. The poster and the mailer may then be the same employee.

**Reminder:** Form 3210 **must** be completed and two copies included when sending more than one sealed envelope to Submission Processing.

- (5) If the poster is the same as the mailer, then the GM or management designee must review the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) and the transmittal package for accuracy and completeness then initial and date the top of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A).

**Exception:** If the GM or management designee is not collocated in the same POD, the GM or management designee review is not required.

- (6) The Integrated Collection System (ICS) records time and activity data and produces electronically generated reports. ICS electronically gathers much of the information required to complete these reports and the rest of the information is input by the user through the ICS workstation.
- (7) The two ICS generated reports are (both are printable):
- Form 795A (CG), Remittance and Return Report — use to transmit remittances and returns.
  - Form 795B (CG), Closure/Document Transmittal — use to transmit closed cases.

5.1.2.5.1  
(06-20-2013)  
**Paper Form 795**

- (1) Use paper Form 795 only when unable to print Form 795A (CG).

**Example:** You are working out of the office and will not be able to connect to the local area network (LAN) on the next business day so you must complete a paper Form 795.

- a. Print your name, Standard Employee Identification Number (SEID), address, contact telephone, and all other entries accurately and legibly in ink.
- b. Submit the paper Form 795 at the close of business each day or as soon as possible the next business day.
- (2) Update the cases that were listed on the paper Form 795 on ICS as soon as you have access to the LAN.

**Note:** Failure to update the cases will generate an error on the Submission Processing Center unconfirmed transactions report and the Submission Processing Center will issue a Form 5919, Teller's Error Advice.

5.1.2.5.2  
(06-20-2013)  
**Supplemental Form 795**

- (1) Prepare a supplemental Form 795/795A, if submission of returns and remittances is delayed for any reason, including discovered remittances.
- (2) Enter a brief explanation for the delay on both the remittance processor's and manager's copies of Form 795/795A:
- a. Write an explanation for the delay on the reverse of the original copy of the supplemental Form 795 if preparing a paper form.
- b. Enter an explanation into ICS if preparing Form 795A (CG), Remittance and Return Report.

**Note:** You may input up to 30 characters under the Taxpayer's Name which allows the information to be retained with the Form 795A record on ICS. For example, "RECEIVED AFTER UPS PICKUP".

- (3) Ensure the supplemental Form 795/795A, has the date the transmitted item was received.
- (4) Secure your manager's initials on the supplemental Form 795/795A.
- (5) Submit the supplemental Form 795/795A as soon as possible.

**Note:** A supplemental Form 795 is considered a late remittance error. This error will be included in the Late Remittances and Trends and Patterns reports, but Form 5919, Teller's Error Advice, will not be issued if no other errors exist with the remittance.

5.1.2.5.3  
(08-20-2021)  
**Procedures for  
Preparing and  
Processing Form  
795/795A**

- (1) A "poster" is the employee who prepares the payment posting vouchers and Form 795/795A, Daily Report of Collection Activity. Revenue officers will perform poster duties each day that payments and/or returns are secured.

**Note:** To ensure segregation of duties, **when practicable**, ensure the poster, the employee who prepares the payment posting vouchers and Form 795/795A, is not the same employee as the mailer, who prepares the Form 3210, Document Transmittal, and the transmittal package.

- (2) A poster will prepare and process a Form 795, Daily Report of Collection Activity, each day that payments and/or returns are secured as follows:
  - a. List all secured payments and returns.
  - b. Prepare the appropriate posting document for all secured remittances per IRM 5.1.2.6.
  - c. Enclose each completed Form 795/795A, Daily Report of Collection Activity along with the secured remittances in a sealed envelope.

**Note:** At the discretion of the group manager, the envelope may be unsealed until mailed to Submission Processing.

- (3) The poster will label the envelope with the following information:
  - a. Name of the poster.
  - b. Date of Form 795.
  - c. The poster's SEID number.
  - d. Total dollar amount of remittances.
  - e. Annotate the envelope with the term LARGE when Form 795/795A includes a single remittance or aggregate remittance(s) of \$100,000 or more, to ensure the earliest deposit to the Treasury per IRM 5.1.2.7.1, Large Dollar Remittances.
- (4) Submit the envelope as follows:

**Overnight vs. Regular Mail**

IF	THEN send the sealed envelope to the
a. Working in a multiple revenue officer post of duty (POD),	Employee designated to perform the mailing duties in IRM 5.1.2.4.4
b. Working in a single revenue officer POD,	Submission Processing via overnight traceable mail with carrier packaging
c. Working away from the POD on extended field calls,	Submission Processing via overnight traceable mail with carrier packaging provided by the POD
d. Unable to send via overnight traceable mail,	Submission Processing via regular mail or overseas mail

Overnight traceable carrier labels can be generated from the laptop computer using the UPS internet site at: <http://www.ups.com/content/us/en/shipping/index.html?WT.svl=PrNav>. Further information regarding shipping can be found on the intranet at: *Postal and Transport Policy*

- (5) Retain a control copy of the Form 795/795A until the receipted copy is returned from Submission Processing.
- (6) Store the receipted copy of the Form 795/795A in accordance with the minimum protection standards found in IRM 10.2.15.2, Protected Items/Data.
- (7) Retain the copies in accordance with item number 31, Records Control Schedule (RCS) 28, Tax Administration - Collection, in Document 12990, IRS Records Control Schedules (RCS). As of the published date of this IRM 5.1.2, the Records Control Schedule requires retaining the current year plus two years.

## 5.1.2.5.4

(01-24-2012)

**Procedures for Mailing  
Form 795/795A to  
Submission Processing**

- (1) The "mailer" is the designated clerical contact or employee designated to prepare and mail the transmittal packages per the procedures that follow.
 

**Note:** To ensure segregation of duties, when practicable, ensure the poster, the employee who prepares the payment posting vouchers and Form 795/795A is not the same employee as the mailer, who prepares and mails the transmittal package per the procedures that follow.
- (2) The mailer is responsible for submitting the completed envelopes to Submission Processing as follows:
  - a. Bundle the sealed envelopes, containing the Form 795/795A and remittances, into a single package for overnight mail to Submission Processing.
 

**Reminder:** Form 3210 **must** be completed and two copies included when sending more than one sealed envelope to Submission Processing.
  - b. Prepare the Form 3210, Document Transmittal, with the name of the poster, their SEID number and date from each sealed envelope.
  - c. Send the prepared package (including a copy of the Form 3210) to Submission Processing via overnight mail.

- d. Retain a control copy of the overnight mail transmittal until the acknowledged copy of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) is returned from Submission Processing.
- e. Retain the acknowledged copy of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A)
- f. Reconcile all control copies of document transmittals (Form 3210, or in the case of one envelope, Form 795/795A) and the acknowledgements on a bi-weekly basis. Make sure that Submission Processing returned the acknowledgements and that all listed items have a check mark.
- g. Follow up with the destination site if document transmittals (Form 3210, or in the case of one envelope, Form 795/795A) are not returned within 14 days per procedures in IRM 5.1.2.5.5.1, Form 3210 and Form 795 Follow Up.

**Note:** All pages of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) must be returned. If documental transmittal pages are lost or missing, this is a loss of personally identifiable information (PII) and must be reported to PGLD/IM.

- (3) Double-wrap the package (i.e., multiple sealed envelopes or just one sealed envelope) in an opaque paper envelope or box.

**Note:** The double wrapping of the package is done to ensure that if the outside envelope or box is damaged or destroyed, the internal package containing the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) and envelopes may be delivered intact, thus protecting SBU and PII information.

- (4) Write the following on the **inside** envelope or box:

- a. Name of the person who is authorized to open the package: (i.e., the Submission Processing operations manager with responsibility for deposits).
- b. Address of the receiving office.
- c. Return address of the office mailing the remittance package.
- d. "Limited Official Use" is required to be clearly marked or stamped on the front and back of the inside envelope or box

**Note:** If control of Form 795/795A is centralized, include the specific address where they are maintained, on the package.

- e. When the envelope or box contains a single remittance of \$100,000 or more or the aggregate total of remittances is \$100,000 or more (i.e., whether a single remittance or multiple remittances) annotate LARGE on the envelope or box to ensure the earliest deposit to the Treasury.

- (5) Write the following on the **outside** envelope or box:

- a. Address of the receiving office. The address should include only "IRS" (or Internal Revenue Service), the stop number, and address. To determine the receiving office's address, including the stop number refer to *SP Center Field Office Payment Processing Key Contacts and Liaisons*

**Caution:** Do not include the name or title of the intended recipient (person) on the outside envelope or box. Do not write "cashier", "teller", or "remittance" on the outside envelope or box as this may serve as an alert to a potential thief.

- b. Return address of the office mailing the remittance package

5.1.2.5.5  
(01-24-2012)  
**Remittance/Document  
Transmittal Controls  
(Form 3210 and Form  
795/795A)**

- (1) Establish and monitor controls to ensure delivery and acknowledgment of the remittance package.
- (2) The controls must enable the identification of the amounts of taxpayer receipts by taxpayer identification number (TIN), correlated to the package tracer information.

**Example:** If the transit provider informs IRS that package number 12345-67-89 was destroyed, controls are needed to enable proper identification of the impacted taxpayer(s) if it is necessary to grant relief.

- (3) The primary control is the document transmittal, Form 3210. However, when sending only one Form 795/795A, Form 3210 is not required; therefore, when sending only one Form 795/795A, the Form 795/795A is the primary control for the contents of that sealed envelope.

**Reminder:** Form 3210 **must** be completed and two copies included when sending more than one sealed envelope to Submission Processing. Each Form 795/795A is required to be in a sealed envelope.

- (4) In the event of loss, if the control was Form 3210, the employee responsible for following up must gather a copy of each Form 795/795A that was included in the package from each revenue officer.

5.1.2.5.5.1  
(08-20-2021)  
**Form 3210 and Form  
795/795A Follow Up**

- (1) Follow up on a timely basis with the destination Submission Processing Center regarding delayed acknowledgment of a deposit package.

**Note:** Submission processing will acknowledge the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A.) The remittance processor in the teller unit is required to return an initialed copy of Form 795/795A, Daily Report of Collection Activity, to the originating employee as acknowledgment of receipt for the remittances, returns, and posting documents. The remittance processor must acknowledge receipt of each remittance with a distinctive check mark on the transmittal and return an acknowledgement copy of the transmittal to the originator at the specific address listed on the transmittal within 5 workdays.

- (2) Establish a reminder to check if:
- a. an acknowledgement copy of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) has been received from the Submission Processing Teller Unit, and
- b. all the remittances have been acknowledged.

**Note:** The reminder may be established on a paper calendar or an electronic calendar such as an Outlook calendar.

- (3) Reconcile all document transmittals (Form 3210, or in the case of one envelope, Form 795/795A) and the related acknowledgements on a bi-weekly basis (at a minimum) to ensure that all remittances have been received by the Submission Processing Teller Unit.
- (4) A follow up action in IRM 5.1.2.4.5.1(5) is required when:

- a. an acknowledgement copy of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) is not received within 14 days of mailing, or

**Exception:** If the acknowledgement copy of all Form 795/795As controlled by a Form 3210 transmittal are received, and the acknowledgement copy of the Form 3210 is not received, and all payments on the Form 795/795A have been checked off by Submission Processing, notate the control copy of the unacknowledged Form 3210 that all Form 795/795As have been returned and all payments were noted as received. Retain the noted control copy of the Form 3210 with the file copies of previously acknowledged Form 3210s. When this is done no additional follow-up is necessary.

- b. the acknowledgement copy of a Form 3210 document transmittal indicates a Form 795/795A was not acknowledged, or

**Exception:** If all unacknowledged payments (no check mark) on the Form 795/795A are verified as posted or pending on IDRS (or "PN" on ICS) then notate the control copy of the Form 795/795A with the unacknowledged payment(s) posting (or pending posting) date(s) on IDRS. Retain a copy of the notated Form 795/795A with the acknowledgement copy of the Form 3210. Retain both with the file copies of previously acknowledged Form 3210s. When this is done no additional follow-up is necessary.

- c. any remittance is not acknowledged (i.e., marked with a distinctive check mark on the Form 795/795A.)

**Exception:** If the unacknowledged remittance is verified as posted or pending on IDRS (or "PN" on ICS), then notate the control copy or acknowledgement copy of the Form 795/795A with the unacknowledged payment's posting (or pending posting) date on IDRS. Retain a copy of the notated Form 795/795A with the acknowledgement copy of the Form 3210. Retain both with the file copies of previously acknowledged Form 3210s. When this is done no additional follow-up is necessary.

- (5) When a follow-up action is required per IRM 5.1.2.4.5.1(4), take one of the following actions:

- Request follow up from the campus teller unit by faxing a copy of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) to the Field Office Payment Processing designated liaison. The appropriate fax number is: Ogden EEFax (855-318-9148)
- Request follow up from the campus teller unit by mailing a copy of the document transmittal (Form 3210, or in the case of one envelope, Form 795/795A) to the teller unit.
- In situations where Field Office Payment processing is unable to meet the 14 day timeframe in IRM 5.1.2.5.5.1 (4), the Revenue Officer Field Group will trace the package through UPS.com to confirm and print receipt. If you still cannot confirm receipt, please contact the Field Office Payment Processing Unit for a receipted copy of the transmittal.

- (6) Place the receipted copy of the document transmittal form in the file.
- (7) Retain the copies in accordance with item number 31, Records Control Schedule (RCS) 28, Tax Administration - Collection, in Document 12990, IRS Records Control Schedules (RCS). The Records Control Schedule requires retaining the current year plus two years.

5.1.2.5.5.2  
(03-08-2023)  
**Form 795 Loss Report**

- (1) Report a lost remittance package (i.e., the loss of personally identifiable information (PII)) immediately to:
  - a. Your manager,
  - b. The Privacy, Governmental Liaison and Disclosure Incident Management Office using the *PII Breach Reporting Form*. Visit the *Report Losses, Thefts or Disclosures* page in the *Disclosure and Privacy Knowledge Base* site for additional information and guidance concerning incident/ data breach reporting requirements. , and
  - c. The Treasury Inspector General for Tax Administration (TIGTA) by calling 800-366-4484..
- (2) Describe the contents of the remittance package in the report:
  - a. Number of sealed envelopes (containing Form 795/795A, remittances (i.e., checks, money orders, cashier's checks, or cash), and secured returns).
  - b. Form 3210, if applicable.
  - c. Overnight mail transmittal, if applicable.

5.1.2.5.6  
(09-26-2014)  
**Responding to Form 5919**

- (1) Submission Processing will send Form 5919, Teller's Error Advice, electronically to your manager when a remittance processor receives one of the following:
  - Form 795/795A, Daily Report of Collection Activity, with an error(s) or submitted late.
  - Late remittance.
  - Late return.
  - Form 809, Receipt for Payment of Taxes, with an error(s) or submitted late.

**Note:** Refer to IRM 3.8.47.7, Form 5919, Teller's Error Advice, for further information.

- (2) There are procedures specific to responding to a Form 5919 involving Form 809 in IRM 5.1.2.8.6

5.1.2.5.6.1  
(07-13-2010)  
**Processing Form 5919**

- (1) The manager will forward an electronic copy of the Form 5919 to the originating employee for corrective action.
- (2) Take corrective action upon receipt of Form 5919 from your manager.
  - a. Prepare a supplemental Form 795/795A, Daily Report of Collection Activity, as the transmittal to return the Form 5919 to the Submission Processing Field Office Payment Processing Unit.
  - b. Include copy of Form 5919 with Form 795/795A.
  - c. Annotate "Response to Form 5919" on Form 795/795A to identify Form 5919 as the basis for submitting a supplemental Form 795/795A.

- d. Send the correction, together with copy of Form 5919, to the remittance processor via the supplemental Form 795/795A, generally within 15 workdays of issuance.

#### 5.1.2.6 (03-08-2023)

#### Payment Documents and Posting Procedures

- (1) Use suitable posting documents containing all of the information needed for deposit and input into the Integrated Collection System (ICS) whenever possible. Acceptable payment documents include, but are not limited to the following:

- Form 3244, Payment Posting Voucher.
- Form 809, Receipt for Payment of Taxes.
- Turnaround notices (MF and IDRS notices to taxpayer).
- Please review the transactions on the module to see that the payment has occurred in IDRS and is in PN status on ICS. IDRS must be used for the interest computation.
- Form 1040-ES, Estimated Tax for Individuals.
- Correspondence.

**Note:** Some documents may be brought up to acceptable standards by adding information and coding and editing. Integrated Collection System (ICS) users may refer to the ICS user guide for properly generating Form 3244. Submission Processing IRM 3.8.46.1 (4), Discovered Remittances, provides instructions for manually completing Form 3244.

- (2) To be acceptable for input, the posting document must identify the originator and contain:
  - Taxpayer name, last known address (including zip code), and Taxpayer Identification Number (TIN).
  - MFT and period.
  - Payment received date.
  - Payment amount(s) and transaction codes(s).

**Reminder:** Do not use pen and ink changes on ICS or template of the payment processing vouchers. Pen and ink changes are never acceptable.

- (3) For the payment received date, use the date the payment is actually received by the IRS. Prior to submitting remittances for transmittal to Submission Processing, check that the transaction date on the Form 3244, Payment Posting Voucher, matches the received date of the remittance.

**Note:** If some other designated official/agency initially receives the remittance, e.g., the U.S. Attorney in foreclosure actions, use the date of receipt by that agency and enter a brief statement in the remarks section of the posting document to explain why the earlier date was used.

**Exception:** A check dated in the future is referred to as a post-dated check. If a check is dated in the future follow the procedures in IRM 5.1.2.6.3.5, Post-Dated Checks.

- (4) If the received date is unknown and there is no IRS received date (stamped) or handwritten received date on the remittance or documents received with the remittance, determine the received date using the following priority list:
  - a. Latest postmark or private delivery service date on the envelope.

- b. Date the document/correspondence was prepared or signed.

**Exception:** If the only available date is from a copy of a previously filed return, do not use the copied signature's date. Continue to (c) or (d) below.

- c. Julian Date of the Document Locator Number (DLN) minus 10 days.

**Note:** The Julian Date is the 6-8 digits of a DLN. For example, in the DLN 28210-105-60025-4, the Julian Date is 105. Refer to DLN Composition in Document 6209, IRS Processing Codes and Information, for additional information.

- d. Today's date minus 10 days.

- (5) If you have closed out your Form 795/795A for the day and discover you have made an error in the received date, request a change in payment dates on a Form 2424, Account Adjustment Voucher. Ensure you explain the reason for the change in date on the "Explanation" line. See IRM 5.1.15.15(5), Credit Transfers, for further information.

- (6) Prepare Form 3244 to process a payment if:

- a. Form 809 receipt is either not required or can not be used as a posting voucher, or
- b. Other suitable posting document is not available.

- (7) Prepare payment documents (other than receipts) in original only.

- (8) Prepare Form 3244 (or other posting document) carefully and correctly to avoid posting delays. Only one debit transaction and two credit transactions are allowed per posting voucher. Additionally the dollar amounts must be in balance to the credit side.

**Note:** Submission Processing identified problem areas including the lack of designated payment codes, lack of employee numbers to identify the preparer, incorrect name controls, and incorrect TINS.

- (9) Pay close attention to the amount of money collected and ensure the posting voucher reflects the actual amount of money collected.

**Example:** If a balance of \$1,200 is due on a notice, and the taxpayer remits \$600, ensure the amount collected is accurately reflected as \$600. If using a pre-printed payment posting voucher, fill in the actual amount collected.

- (10) Payments remitted with a posting voucher for the wrong taxpayer or incorrect money amount will be issued Form 5919, "Teller's Error Advice". Crediting a payment to a wrong taxpayer may cause an erroneous refund.
- (11) Refer to IRM 5.1.2.8, Designated Payments, for the proper use of designated payment codes with certain transaction codes.

5.1.2.6.1  
(09-26-2014)  
**Mutual Collection  
Assistance Request  
(MCAR) Payments**

- (1) Field Collection employees receive payments from six mutual collection income tax treaty partners. These partners are Canada, Denmark, France, The Netherlands, Japan and Sweden. The corresponding treaties have a collection assistance provision that requires the IRS to credit the payments as of the date the partner received the payment (partner received date) rather than the

date the IRS receives the payment (IRS received date.) On the posting voucher, use the partner received date rather than the IRS received date **for the date to credit the payment.**

- (2) Additionally, when processing these payments notate the payment voucher with the IRS received date as follows: "MCAR payment IRS received date: MM/DD/YYYY." Submission Processing will use the IRS received date as noted to determine if the requirements of IRM 5.1.2.3, Timeliness of Remittances, have been met. In the absence of the notation, Submission Processing will use the received date of the posting voucher to determine if the requirements of IRM 5.1.2.3, Timeliness of Remittances have been met. Therefore in the absence of the notation Submission Processing may issue a Form 5919, Teller's Error Advice, based on the received date on the posting voucher.

5.1.2.6.2  
(09-26-2014)

**Transaction Codes**

- (1) A transaction code is a three digit numeric code used to identify a transaction being processed and to maintain a history of actions posted to a taxpayer's account on the Master File.
- (2) Use transaction code (TC) 670 when preparing a payment posting document for:
- All assessed amounts, all accrued failure to pay (FTP) penalties, and accrued interest, except in those instances described in (3) below.
  - All federal tax deposits (FTDs) secured by an employee in an area office. These FTDs are not routed through the FTD system and are, therefore, treated as subsequent payments.

**Note:** A taxpayer attempting to make an FTD payment to an employee in an area office should be advised to make the payment through the Electronic Federal Tax Payment System (EFTPS). There is a 10% avoidance penalty for not using EFTPS when required. If the taxpayer insists on making the payment to an employee in an area office advise the taxpayer the payment will be processed as a regular payment. Process the payment as a subsequent payment.

- All BMF estimated payments (ES) for the Form 1120 series of returns.
- Payment of lien filing fees. If the lien fees have not yet been assessed, use TC 360 simultaneously with TC 670.
- Payment received resulting from service center actions e.g., a substitute for return (SFR) or an additional tax assessment.

**Reminder:** Per IRM 5.1.2.8.1(3), Field Collection is required to use designated payment codes (DPC) for certain transaction codes.

- (3) Use the appropriate transaction code in the following special cases:

**Transaction CodesSpecial Cases**

Case	Type of Payment	Transaction Code	Additional Transaction Code
1	IMF module — payment designated as an estimated payment (ES)	TC 430	N/A

Case	Type of Payment	Transaction Code	Additional Transaction Code
2	IMF or BMF module — with a restricted interest indicator (TC 340 or TC 341)	TC 680 — to post the amount of accrued yet unassessed interest, which will generate CP 86/186 for a manual update of the restricted interest charge.	N/A
3	IMF or BMF module — with a restricted FTP penalty indicator (TC 270 or TC 271)	TC 670 — to post the remittance amount	TC 270 — to post the amount of accrued penalty
4	IMF, BMF, or civil penalty module — payment of sale and/or administrative costs	TC 694 <b>Note:</b> Use TC 360 to post the amount of the collection costs simultaneously with TC 694 if the collection costs have not yet been assessed.	TC 670 — to post any funds received in excess of the collection costs
5	IMF, BMF, or civil penalty module — pre-assessed payment secured as an advanced payment of a deficiency	TC 640 (Advance Payment of Determined Deficiency or Underreporter Proposal) Take the following action to create a module to post the pre-assessed payment to a civil penalty module: <ul style="list-style-type: none"> <li>Establish a name line .</li> <li>See IRM 4.4.11.7, Civil Penalty Name Lines.</li> </ul>	N/A
6	IMF, BMF, or civil penalty module — payment designated for application to interest or penalty	TC 680 — to post the amount of designated interest	TC 690 — to post the amount of designated penalty
7	IMF, BMF, and civil penalty module — payment secured on a 6020(b) return which is not yet processed	TC 640 — to post the remittance amount	N/A

Case	Type of Payment	Transaction Code	Additional Transaction Code
8	IMF, BMF, or civil penalty module — payment received: <ul style="list-style-type: none"> <li>• prior to bal due issuance</li> <li>• before the posting of TC 671 (Subsequent Payment Check Dishonored) (i.e., a pending TC 671 is reflected on IDRS)</li> </ul>	TC 670	TC 570 (“Additional Liability Pending ”) <b>Note:</b> Take the following action to ensure that the credit will not be refunded as an overpayment: <ul style="list-style-type: none"> <li>• Request input of TC 570 as the secondary TC.</li> </ul>
9	BMF or NMF module — payment designated as an estimated payment (ES) for : <ul style="list-style-type: none"> <li>• Estate Taxes — Form 706</li> <li>• Gift Taxes — Form 709</li> </ul>	TC 660	N/A
10	NMF module — Payments designated for application to interest or penalty	TC 680 — to post the amount of designated interest	TC 270 — for any un-assessed amounts of FTP penalty included in the payment
11	NMF module — payment of accrued interest	TC 670 — to post the remittance amount	TC 340 — for the amount of accrued interest
12	NMF module — payment of accrued FTP penalty	TC 670 — to post the remittance amount	TC 270 — for the amount of accrued FTP penalty

Case	Type of Payment	Transaction Code	Additional Transaction Code
13	NMF module — full payment	<p>TC 670 — to post the remittance amount or other applicable TC per above. Take the following action in addition to posting the payment:</p> <ul style="list-style-type: none"> <li>• request input of command code STAUP 12,</li> <li>• use a separate input document from the one used to input the transaction codes.</li> </ul> <p><b>Note:</b> Use TC 670 to apply the excess to the earliest period if the NMF payment exceeds the total of assessed tax, interest, and penalty for all periods.</p>	Other TC, if applicable, per above

5.1.2.6.3  
(09-26-2014)

**Unassigned Account or Module**

- (1) When accepting a tax payment for an account or module that is not on ICS use the Form 3244 in the ICS templates.

**Note:** If the payment was routed or mailed to the Field Collection address incorrectly, the address the sender should have sent the payment to can be identified, and future payments may be received, then, after processing the payment, consider sending Letter 5152, Misdirected Payment, to the sender. Sending the Letter 5152 may prevent future payments going to the incorrect address.

- (2) When preparing the Form 3244 template select the "Enter Date Grid" button in the template process. This will allow you to manually enter all the applicable data on the form.

**Note:** If a payment is received from an unidentified taxpayer, add the payment on Form 795/795A on the day of receipt. Note the payment as "UNIDENTIFIED." The payment will be researched as well as processed at the destination SP center.

5.1.2.6.4  
(09-26-2014)  
**Manual Federal Tax Lien  
Release**

- (1) There are certain conditions when a manual lien release is necessary after a liability is fully satisfied. Refer to paragraph (5) in IRM 5.12.3.3.1, Liability is Satisfied—IRC Section 6325(a)(1), for these conditions.
- (2) To request a timely manual lien release, contact the Centralized Lien Operation (CLO). The CLO contacts are posted on the IRWeb at: *Centralized Lien Processing*

**Note:** An internal use only telephone number is provided along with the contact information on the CLO web site. Do not give this number to a taxpayer. Ensure all E-mail communications regarding liens are sent via secure E-mail.

- (3) Request the CLO contact prepare and process the manual lien release after you have posted the payment. See IRM 5.1.2.6.4.1 for specific posting procedures.

**Note:** Employees of functions with access to the Automated Lien System (ALS) may input lien release requests in the situations described in IRM 5.12.3.2.1, Liability is Satisfied—IRC Section 6325(a)(1).

5.1.2.6.4.1  
(09-26-2014)  
**Manual Lien Release  
Consideration - Timely  
Posting of Payments**

- (1) Payments must be posted timely in order to ensure lien releases are systemically issued in a timely manner. You must post the remittances on the day received.
- (2) Determine if the payment is sufficient to cover the tax liability of the tax period specified on the payment. See IRM 5.1.2.9, Designated Payments, for procedures to follow if the payment is voluntary and the taxpayer designates how it is to be applied.
- (3) Ensure interest and penalty calculations are computed as of the day of posting. This is particularly important for split payments.
  - a. Provide the exact amount to post to each module on the posting document.
  - b. Ensure that full payment also includes all appropriate accruals of penalty and interest since the date of any restricted assessments if there is restricted penalty or interest.
- (4) Perform additional research and resolve any outstanding issues on the account, including determining if there are any freeze codes that will delay credit posting. If a condition exists that will delay posting, request a manual release of the notice of lien.
- (5) Determine whether the taxpayer has outstanding balances in other tax periods.
- (6) If a payment was received based on a levy, and all balances due (bal due) on the levy are fully paid, see IRM 5.11.2.2, Releasing Levies, to determine appropriate action.
- (7) Apply available credits created by involuntary payments or by undesignated voluntary payments to satisfy the outstanding balances in other tax periods in the order that best serves the interests of the government, considering the Collection Statute Expiration Date (CSED) for all outstanding liabilities. This will generally require application to the oldest tax, oldest penalty, and oldest interest, in that order until fully used. See IRM 5.16.1.2.2.1(4).

**Note:** This order of payment application is based on Rev. Proc. 2002-26, which provides the Service's position regarding payment application by the Service of a partial payment of tax, penalty, and interest for one or more taxable periods. This can be viewed on page 11 of the IRB 2002-15 at *Internal Revenue Bulletin 2002-15*.

- (8) Do not apply a payment to an assessment for which the collection statute expiration date (CSED) has expired (i.e., when IDRS includes a bal due(s) with an expired CSED), unless permission is provided by the taxpayer or provided in the IRM. For example, the Service may be able to apply payments to assessments for which the CSED has expired when proceeds are received as a result of a levy/seizure which was served prior to the CSED. IRM references include but are not limited to IRM 5.11.2, Serving Levies, Releasing Levies and Returning Property, IRM 5.11.5, Notice of Levy - Levy on Wages, Salary, and Other Income, and IRM 5.10.4, Seizure and Sale - Actions Prior to Sale. Also see IRM 5.16.1.2.2.1, Imminent Statute Expiration, and IRM 5.16.1.2.2.5, Report of Statute Expiration, regarding reporting accounts uncollectible when CSEDs expire. Check for multiple assessments and CSEDs:
- Determine if a situation exists where a release of lien needs to be issued because the assessment for which the notice of lien was filed is fully paid but there remains a bal due on the tax period based on a later assessment not on the notice of lien.
  - Ensure penalty and interest based on the assessment shown on the notice of lien is fully paid prior to requesting releases in these situations.
- (9) Refer to paragraph (5) in IRM 5.12.3.3.1, Liability is Satisfied—IRC Section 6325(a)(1), for conditions requiring a manual lien release. Refer to IRM 5.1.2.6.4 above for additional information.
- (1) An inactive account is an account that is currently not collectible (CNC) or is not on the Master File, i.e. NMF. Follow these procedures to process a payment on an inactive account.
- Forward any payment received for an account previously reported currently not collectible (CNC) by TC 530 (i.e., "53'd") or NMF account for input on Form 795/795A, Daily Report of Collection Activity.
  - Annotate the posting document as shown in the table.

5.1.2.6.5  
(09-26-2014)  
**Inactive Account**

Type	Annotate Posting Document
CNC	<ol style="list-style-type: none"> <li>Payment pertains to a "53'd" module</li> <li>"53'd account"</li> <li>"Not on IDRS" if a "53'd" account is not on IDRS</li> </ol>
NMF	Not on IDRS

5.1.2.6.6  
(09-26-2014)

**Application of Proceeds  
in Certain Situations**

- (1) There are certain situations where you may receive funds that are not directly from a taxpayer or another source. In addition, certain types of accounts may require special payment application or types of processing. These situations include:

- Levies
- Offers in compromise
- State court ordered restitution
- Federal court ordered restitution
- Restitution-based assessments

5.1.2.6.6.1  
(09-26-2014)

**Application of Proceeds  
from a Levy**

- (1) If the funds were the result of a levy and the levy has now been satisfied, a levy release must be prepared and issued to the applicable third party. See IRM 5.11.2.6, Disposing of Surplus Proceeds.
- (2) Also see IRM 5.10.6.2, Application of Proceeds of Levy and IRM 5.10.6.7, Income from Acquired Property.

5.1.2.6.6.2  
(03-08-2023)

**Processing Offer in  
Compromise (OIC)  
Receipts**

- (1) Field Collection (FC) (RO) employees should never process payments related to an offer. Ship all offers, secured by a FC (RO) employee to the appropriate Centralized Offer in Compromise (COIC) site within 24 hours of receipt, which should include a completed Form 656, a completed Form 657, and payments submitted with the offer (e.g., partial payment required by IRC Section 7122(c)(1)). See IRM 5.8.1.14.1, Initial Receipts of Offers Received Elsewhere in IRS, for further information.
- (2) You must forward the offer to COIC even if there are defects (such as the offer does not contain an original signature and/or is not accompanied by any required application fee and required payment). See IRM 5.8.2.4.3 , Forms 656, Offer in Compromise without an Original Signature.

5.1.2.6.6.3  
(09-26-2014)

**Processing State Court  
Ordered Restitution  
Receipts**

- (1) In connection with prosecutions for identity theft, refund schemes and tax evasion, state courts sometimes order defendants to pay restitution to the Internal Revenue Service.
- (2) Restitution is a legal remedy that can be ordered by the court, in a criminal case. A restitution order requires the criminal defendant to pay money or render services to victims in order to redress the loss the defendant has inflicted. Normally imposed during sentencing, it can be agreed to by the parties in a plea agreement or imposed as a condition of probation or supervised release.
- (3) The IRS has communicated to the states the proper address to send restitution payments, however, some payments may be received by Field Collection employees.
- (4) State court ordered restitution payments made to the Internal Revenue Service (IRS), should be mailed to the address below.
- The **outside** envelope must be addressed as follows: IRS-RACSAtn:  
Mail Stop 6261, Special Services Team333 W Pershing AveKansas City  
MO 64108
  - The **inside** envelope should clearly indicate "state restitution". This will ensure it is properly directed to the correct group for application. IRS-

RACS Attn: Mail Stop 6261, State Restitution/Special Services Team  
333 W Pershing Ave Kansas City MO 64108

- (5) A Field Collection employee receiving a state ordered restitution payment will transmit the payment using Form 3210, Document Transmittal, through overnight traceable method, to the address listed above. If necessary, Collection personnel may refer questions to the Kansas City group responsible for application of these payments via the secure mailbox at \*W&I Criminal Restitution.
- (6) Additional information regarding criminal case processing may be found in IRM 5.1.5, Balancing Civil and Criminal Cases.

5.1.2.6.6.4  
(08-20-2021)  
**Processing Federal  
Court Ordered  
Restitution Receipts**

- (1) In connection with prosecutions for identity theft, refund schemes and tax evasion, federal courts sometimes order defendants to pay restitution to the Internal Revenue Service.
- (2) Restitution is a legal remedy that can be ordered by the court, in a criminal case. A restitution order requires the criminal defendant to pay money or render services to victims in order to redress the loss the defendant has inflicted. Normally imposed during sentencing, it can be agreed to by the parties in a plea agreement or imposed as a condition of probation or supervised release.
- (3) The Department of Justice and the Federal Courts transmit funds resulting from these types of cases to the IRS. These payments are coordinated by the Kansas City Submission Processing Center (KCSPC), however some payments may be received by Field Collection employees.
- (4) In compliance with Submission Processing guidance, per IRM 3.8.45.6.26, Department of Justice/Criminal Restitution Program Payments (KCSPC Only), a Field Collection employee receiving a court ordered restitution payment will transmit the payment using Form 3210, Document Transmittal, through overnight traceable method to the following address:  
  
Internal Revenue Service  
ATTN: DOJ/Criminal Restitution, Mail Stop 6162 P-6  
333 West Pershing Rd.  
Kansas City MO 64108
- (5) Field Collection employees should not process or post payments received from Criminal Investigation (CI) employees. Criminal Investigation may send payments or converted cash through the Department of Justice to the Federal Court, for distribution to the IRS, or CI may send to the address above.
- (6) Additional information regarding criminal case processing may be found in IRM 5.1.5, Balancing Civil and Criminal Cases.

5.1.2.6.6.5  
(09-26-2014)  
**Processing  
Restitution-Based  
Assessment Receipts**

- (1) The Firearms Excise Tax Improvement Act of 2010 ("the FETI Act"), Public Law No. 111-237, amended IRC Section 6201 to provide that the IRS shall assess and collect the amount of restitution ordered in a criminal case for failure to pay any tax imposed by the IRC in the same manner as if it were a tax. Prior to the enactment of this law, the amount of restitution ordered payable to the IRS in a criminal case could not be assessed as a tax. The law applies to restitution orders entered after August 16, 2010.

- (2) Payments received by Field Collection employees collecting restitution-based **assessments** will be posted using the DPCs listed in IRM 5.1.2.8.1.4.

**Note:** Kansas City Submission Processing Campus (KCSPC) employees may receive payments from the Clerk of the Court. KCSPC employees will use DPC 26 to post federal court ordered restitution payments for restitution orders entered after August 16, 2010. (DPC 08 is used for restitution ordered prior to August 17, 2010.)

- (3) Refer questions regarding posting of payments to restitution-based assessments to Advisory.
- (4) Additional information regarding criminal case processing may be found in IRM 5.1.5, Balancing Civil and Criminal Cases.

#### 5.1.2.7 (08-15-2008)

##### Forms of Remittances

- (1) Certain forms of remittances require special handling. These include payments in the form of:
- Large dollar remittances
  - Cash payments
  - Payments by check

#### 5.1.2.7.1 (09-26-2014)

##### Large Dollar Remittances

- (1) A large-dollar remittance requires special handling to ensure the earliest deposit to the Treasury so the government will enjoy the maximum availability of funds and earn interest at the earliest opportunity. Special handling is required for:
- a single remittance or aggregate remittances of \$100,000 or more
  - a single remittance of \$1 million or more

**Note:** "Aggregate remittances of \$100,000 or more" refers to the aggregate remittances for a daily Form 795/795A.

- (2) Write LARGE on the inside envelope when preparing Form 795/795A including a remittance or remittances of \$100,000 or more, (i.e., whether a single remittance or multiple remittances).

**Caution:** Never write LARGE on the outside envelope. Refer to IRM 5.1.2.4.4 for procedures on preparing envelopes for mailing to Submission Processing.

- (3) Obtain the liaison's telephone number or E-mail address provided in the "Phone" column. Alert the liaison that you will be sending a large remittance of \$100,000 or more from [name of state] and provide the tracking number for the overnight package containing the remittance(s).
- (4) Payments secured by Field Collection Revenue Officer groups are submitted to the Ogden Service Center.
- (5) Locate the large-dollar remittances mail stop on the Submission Processing Field Office Payment Processing page website at: *SP Center Field Office Payment Processing Key Contacts and Liaisons*. The large-dollar remittances mail stops are listed in the "Designated Addresses for Field Office Collected Remittances Only" column.

- (6) Send the envelope containing a remittance(s) of \$100,000 or more to the large-dollar remittances mail stop, if applicable.

5.1.2.7.1.1  
(01-24-2012)

**Remittance Over \$1M**

- (1) The following additional actions are required upon receipt of a single remittance of \$1 million or more.
  - a. Locate the designated remittance liaison on the Submission Processing Field Office Payment Processing page website at: *SP Center Field Office Payment Processing Key Contacts and Liaisons*. Obtain the liaison's E-mail address provided in the "Phone" column.
  - b. Alert the liaison that you will be sending a single remittance of \$1 million or more. E-mail the designated liaison upon receipt of a single remittance of \$1 million or more and provide the tracking number for the overnight package containing the remittance. Contact the acting designated liaison (or their manager) if the designated liaison is unavailable when you call.

5.1.2.7.2  
(08-20-2021)

**Cash Payments**

- (1) Whenever possible, the Revenue Officer will have another employee with them when securing cash payment from a taxpayer. This is to ensure both employee safety and integrity in the cash handling process.
- (2) Ensure that the money you accept is **not** counterfeit. Be aware of the techniques for detecting counterfeit money. For further information, obtain literature from the Secret Service field office or online.

**Note:** Management can request the Secret Service field office to provide a lecture to a group of employees who receive cash payments, however, management must not request the Secret Service to instruct personnel on an individual basis.

- (3) The employee accepting the payment will count the cash in the taxpayer's presence to ensure agreement on the amount of the payment. The second employee will serve as a witness to the transaction.
- (4) Issue Form 809, Receipt for Payment of Taxes, in every instance when cash is received per IRM 5.1.2.8.5.
- (5) If you must leave the taxpayer, then tactfully return the money to the taxpayer. You are not to take possession of the cash and leave the taxpayer's presence without issuing the Form 809 receipt. Convert a cash payment:
  - a. to a check/bank draft or money order within 24 hours of receipt from the taxpayer before sending for processing.
  - b. by the close of the business day on which it was collected, or as soon as possible on the next business day, to minimize the risk of loss and to ensure employee safety.

**Note:** Use Concur to apply for reimbursement of cash conversion expenses.

**Caution:** Do not use personal bank accounts to convert cash received as payment on delinquent accounts.

- (6) Make the check/bank draft or money order payable to United States Treasury.

- (7) Identify the bank draft or money order on Part 3 of Form 809 and record the following in the block provided:
  - a. the name of the issuing financial institution or money order vendor,
  - b. the serial number, and
  - c. the date of conversion.
- (8) Annotate Part 1 of Form 809, if applicable, that the payment relates to a Form 2209, Courtesy Investigation. See IRM 5.1.8, Courtesy Investigations.
- (9) Per IRM 5.1.2.7.5.1(3), prepare a separate Form 809 receipt for each tax period, type of tax, or user fee covered by the payment. Use Form 809 as the posting document to apply the payment to the bal due and/or return.

**Exception:** When Form 809 is prepared for a payment with a return, the return serves as the posting document.

- (10) Follow the procedures for preparing a currency transaction report shown below.

5.1.2.7.2.1  
(08-20-2021)

**Utilization of Taxpayer  
Assistance Centers for  
Large Cash Payments**

- (1) The Wage & Investment (W&I) division has established procedures for processing large cash payments at certain Taxpayer Assistance Centers (TACs). A Service Level Agreement and Memorandum of Understanding (SLA-MOU) between the Small Business/Self-Employed (SB/SE) and (W&I) operating divisions established cash payment procedures for certain taxpayer accounts assigned to Field Collection.
- (2) The SLA-MOU, Service Level Agreement and Memorandum of Understanding Between W&I and SB/SE on Handling Large Cash Payments at Taxpayer Assistance Centers provides the criteria, requirements and procedures for requesting assistance with processing large cash payments from taxpayers assigned to revenue officers. All requests for services will be made utilizing standardized procedures established by W&I for all customers requiring large cash payment assistance within the Service.
- (3) Requests for assistance from W&I under the agreement are limited to:
  - a. Instances where a taxpayer intends to tender a single payment greater than \$10,000 in U.S. Currency and
  - b. Field Collection has been unsuccessful in attempts to obtain the assistance of a financial institution to convert the currency to a negotiable financial instrument (e.g. a bank money order or cashier's check) payable to the U.S. Treasury consistent with the procedures located at IRM 5.1.2.7.2 and
  - c. The taxpayer's residence or principal place of business is in the same state as the assisting Taxpayer Assistance Center.
- (4) The assistance described in this section is limited to certain geographic locations. Contact the Content Owner of this IRM to determine if the taxpayer is in an area where this service is available. The content owner is indicated on the Product Catalog Information page which can be found on the Core Repository of Published Products (CROPP).
- (5) If the conditions in IRM 5.1.2.7.2.3(3) have been met, and the revenue officer has been advised by the content owner of this IRM that the taxpayer is located in a state where a Large Cash Taxpayer Assistance Center is located, the revenue officer will instruct the taxpayer to call (844) 545-5640 or other number

provided by W&I to request an appointment to tender the payment. The appointment number is staffed by a customer service representative (CSR) who will:

- a. Confirm the taxpayer's zip code or location to determine the closet TAC location which can accept a large cash payment.
  - b. Determine if the payment is over or under \$10,000.
  - c. Secure the taxpayer's telephone number for a contact once the appointment is established.
  - d. Secure an email address for the taxpayer to send them a confirmation once the appointment is established.
- (6) The CSR will advise the taxpayer of the next available appointment and the location of the Large Cash TAC which can accept the payment. If the taxpayer agrees to the date, time and location of the appointment, a confirmation email will be systemically issued to the taxpayer.

**Note:** The system will also generate an email confirming the appointment to the Field Assistance group manager (GM) at the designated TAC.

- (7) The Field Assistance GM will contact the taxpayer to confirm or change the appointment. This allows the Field Assistance GM the ability to ensure sufficient staffing will be present at the TAC and to arrange for courier services.
- (8) If an appointment is not available through the procedures set forth above, SB/SE management or designee will coordinate with local Field Assistance management designee to schedule an appointment at a TAC designated to accept large cash payments. Appointments must be made during office hours between 8:30 a.m. and 2:30 p.m. at least one week in advance. Exigent circumstances must exist to accommodate appointment requests for less than one week in advance.
- (9) W&I will control the cash payment process from beginning to end. W&I will secure the funds from the taxpayer, and the SB/SE employee assigned the taxpayer's account will have the option to observe the payment process by coordinating with local W&I management or designee.
- a. The SB/SE employee assigned to the taxpayer's account will provide the necessary information to designate the taxpayer's payment.
  - b. Federal Tax Deposit (FTD) payments will be processed using existing W&I Field Assistance procedures.
  - c. The SB/SE employee assigned the taxpayer's account will be responsible for evaluating FTD penalty abatement requests consistent with IRM 20.1.4.26.1.1, Unbanked Taxpayers.
  - d. W&I will issue the Form 809, Receipt for Payment of Taxes to the taxpayer.
  - e. W&I will post the funds to IDRS, OTCnet and will process any required forms.
  - f. W&I will schedule the courier service to handle pick up and receipt the funds.

5.1.2.7.2.2  
(08-20-2021)  
**Currency Transaction  
Report (CTR)**

- (1) The Currency Transaction Report (CTR) came into existence with the passage of the Currency and Foreign Transactions Reporting Act, better known as the Bank Secrecy Act (BSA), in 1970.

- (2) Form Other Gov FINCEN FORM 112, Currency Transaction Report, is required to be filed for each deposit, withdrawal, exchange of currency, or other payment or transfer, by, through, or to the financial institution which involves a transaction in currency of more than \$10,000. However, the Treasury Regulations provide an exemption for filing a CTR: Treasury Regulation [31 CFR 1020.315(a)&(b)(2)] provides, in pertinent part that:

“No bank is required to file a report ... with respect to any transaction in currency between an exempt person and such bank” and “an exempt person is” ... “a department or agency of the United States.”

- (3) Point out the Treasury Regulation exemption if a financial institution asks for your personal information to complete a CTR when you need to convert more than \$10,000.
- (4) If the financial institution requires you to provide the information for the completion of the CTR in order to convert the cash into a negotiable financial instrument, provide employee identification number, and address corresponding to the IRS, and not the employee conducting the transaction. Do not provide your address or social security number for the completion of the form.

**Note:** Furnish your credentials to the financial institution upon request.

- (5) Provide your the following information for the completion of the form:

- Your name, if you are assigned an approved pseudonym, provide your assigned pseudonym
- The address of the post of duty you are assigned to

completing a CTR

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- (6) Alternative cash payment arrangements may be made by Field Collection managers by following these steps:
- a. Contact the financial institution operations manager to request a blanket exemption for all revenue officers if a financial institution will not allow the exemption.

**Note:** A revenue officer would have to present a pocket commission to verify their identity to the financial institution if such a blanket exception was arranged.

- b. Make alternate cash conversion arrangements with another financial institution if the financial institution still does not allow the exemption.

**Note:** Inform the revenue officers once the arrangement has been arranged.

#### 5.1.2.7.2.3 (08-20-2021) US Postal Money Orders

- (1) The US Postal Service provides money service business services by issuing Postal Money Orders. Branches of the US Post Office may issue a Postal Money Order for cash transactions less than \$10,000. The money orders are limited to increments of \$1,000. The US Post Office must not be used to convert cash payments received from taxpayers that are equal to or greater than \$10,000. This limitation ensures the requirements for cash payments to be converted within 24 hours of receipt of the taxpayer and postal regulations.

- (2) Form PS 8105-A, Funds Transaction Report (FTR) was created by the US Postal Service (USPS) to comply with BSA and Patriot Act requirements.
- (3) Form PS 8105-A is required to be filed by the USPS when selling \$3000.00 or more of postal financial instruments to the same customer in the same day.
- (4) As a representative of the Internal Revenue Service, you may be asked for information to complete the PS Form 8105-A. Section E, Law Enforcement Agent or Government Representative on Behalf of an Agency, is the appropriate section for completion when you are converting cash received from a taxpayer to US Postal Money Orders.
- (5) The following information is needed for completion of Section E of the PS Form 8105-A.
  - Last name/First name, if you are assigned an approved pseudonym, provide your pseudonym.
  - Date of Birth
  - Work Telephone Number
  - Government Photo ID number, found on HSPD-12 Smart ID card
  - Agency name, "Internal Revenue Service"
  - Physical address of your post of duty
  - Occupation

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**Note:** Do **NOT** provide your social security number to the USPS to complete the form.

#### 5.1.2.7.2.4 (01-24-2012)

#### Property Appraisal and Liquidation Specialist Cash Procedures

- (1) These additional procedures apply to Property Appraisal and Liquidation Specialist (PALS) employees.
  - a. Use counterfeit detection pens on currency at the time it is received, when possible.
  - b. Use a Standard Form 215-A (SF 215-A), Deposit Ticket per IRM 5.10.5.21, Securing and Depositing Sale Proceeds.

**Exception:** Circumstances may prevent the use of SF 215-A, such as a sale held in a small rural community and access to a Treasury General Account Bank is not readily available.

- (2) When access to a Treasury General Account Bank is not readily available, make arrangements to convert the cash at a local bank. See IRM 5.10.4.16, Arrangements to Convert or Deposit Cash.

#### 5.1.2.7.3 (01-24-2012)

#### Check or Money Order Payments

- (1) Instruct taxpayers to make a check or money order payable to: **United States Treasury.**
- (2) Accept a check or money order made payable to any of the following "acceptable" forms of payee (or some other form of payee clearly intended to conform to any of the following):
  - US Treasury
  - U.S. Treasury
  - Department of Treasury
  - Dept. of Treasury

- Department of the Treasury
- Dept. of the Treasury
- Internal Revenue Service/IRS

IRM 3.8.44.4.2, Remittance Not Payable to United States Treasury, outlines all acceptable payee names and those that require overstamping.

- (3) Prepare posting documents to apply the correct portion of the payment to each bal due and/or return if one payment is received for several bal dues and/or returns.
- (4) The canceled check or money order is the taxpayer's proof of payment. If a taxpayer insists on getting a receipt, issue Form 809, Receipt for Payment of Taxes. Form 809 is the ONLY official receipt. When Form 809 is issued, it serves as the posting document unless the payment is received with a return.
- (5) A taxpayer that does not require a receipt may want proof that their non-cash payment has been delivered to the office. Each office may obtain a date stamp that reads "PROOF OF DELIVERY ONLY — THIS IS NOT AN OFFICIAL RECEIPT." You may stamp a photocopy of the taxpayer's check or money order with this stamp as proof of delivery.

5.1.2.7.3.1  
(01-24-2012)  
**Overstamping or  
Endorsing**

- (1) Accept a check or money order made payable to an "unacceptable" payee (i.e., other than to one of the payees listed in (2) above) or if the payee line is left blank and over-stamp the payee with the words **United States Treasury**.

**Note:** Local offices should procure a **United States Treasury** stamp if they do not already have one. The letters should be in a font that will produce a very legible stamp impression (e.g., 16 pitch Arial font and should be in one-color, pre-inked and standard office supply size 1/2" X 1 5/8".)

- (2) IRM 3.8.44.4.2, Remittance Not Payable to United States Treasury, outlines acceptable payee names and payee names that require overstamping.

5.1.2.7.3.1.1  
(06-20-2013)  
**Payee is a Collection  
Employee**

- (1) If a check is made payable to a Field Collection employee, endorse the check or money order as follows:
  - a. Write **Pay to the order of the United States Treasury** in the space provided for endorsement on the back of the check.
  - b. Write your signature below the endorsement.
  - c. Write **Signature of Collection Employee** below your signature.

5.1.2.7.3.1.2  
(09-26-2014)  
**Payee is the Taxpayer  
(Levy Payment Payable  
to the Taxpayer)**

- (1) Treat a levy check made payable to the taxpayer as a seized check.
- (2) Endorse the check as follows:
  - a. Type or stamp this endorsement on the back of the check: *This check (money order) and the proceeds thereof have been seized under authority of Title 26, United States Code, Section 6331, for application on the unpaid tax liability of (name of the taxpayer), and is herewith deposited to the credit of the Treasurer of the United States, (name of the area director), Area Director of Internal Revenue Service (Area Number).*

**Note:** Place the endorsement within the 1.5 inch area beginning at the leading edge of the check.

- b. Write your signature below the endorsement.
- c. Write "Signature of Collection employee" below your signature.

- (3) For further information on seized checks see IRM 5.10.3.12.1, Checks and Money Orders.

5.1.2.7.3.1.3  
(08-15-2008)

**Restrictive Endorsement**

- (1) Accept a payment that is endorsed by the payee in such a manner that it is immediately negotiable.
- (2) Restrictively endorse the check or money order immediately below the last endorsement by writing or stamping "For Deposit Only - United States Treasury".

**Note:** Local offices should procure a **For Deposit Only - United States Treasury** stamp if they do not already have one. The letters should be in a font that will produce a very legible stamp impression (e.g., 16 pitch Arial font).

5.1.2.7.3.2  
(08-15-2008)

**Property Appraisal and  
Liquidation Specialist  
Check Procedures**

- (1) A Property Appraisal and Liquidation Specialist (PALS) employee should endorse the check or money by writing or stamping **For Credit to U.S. Treasury/ALC 20-09-2900-4** on the back of the check.
- (2) Send this type of remittance to the Ogden Submission Processing Center.

5.1.2.7.3.3  
(09-26-2014)

**Refund Check**

- (1) Write or stamp **VOID** on the back of a returned refund check if a taxpayer returns a tax refund check to the IRS.

**Note:** Local offices should procure a **VOID** stamp if they do not already have one. The letters should be in a font that will produce a very legible stamp impression (e.g., 16 pitch Arial font).

**Caution:** Stamp only the back of the check. Do not obscure any of the important information on the front of the check (e.g., Payee Name, TIN, Type of Tax - MFT Code, Check Date, etc.).

- (2) Prepare Form 3913, Acknowledgment of Returned Refund Check, pursuant to the form instructions.
- (3) Provide the taxpayer copy to the taxpayer and attach the other copies to the check.
- (4) Send Form 3913 and the check to Submission Processing as an attachment to Form 795/795A, Daily Report of Collection Activity.
- (5) Prepare an input document for posting TC 470 to the taxpayer's account.

**Note:** A copy of Form 3913 may serve as the posting document.

5.1.2.7.3.4  
(09-26-2014)  
**Questionable  
Remittance**

- (1) Sometimes, a taxpayer will try to use a fake, bogus and/or counterfeit check or money order to pay their debt to IRS. A questionable remittance resembles a check or a money order. Such fake, bogus and/or counterfeit checks or money orders are:
  - a. Not certified by any financial institution.
  - b. Non-negotiable.
  - c. Often written in an amount much greater than owed by the taxpayer in the hope of securing a refund of the excess.
- (2) Be aware of and become familiar with the characteristics of a questionable remittance in order to be able to identify one. Checks that state "NOT FOR DEPOSIT", "EFT ONLY", "FOR DISCHARGE OF DEBT" and/or "WITHOUT RECOURSE" on the back have been identified as frivolous, or bad checks identified as part of a refund scheme. If you receive one of these checks, then do not process. Checks marked "NOT FOR DEPOSIT" or "DO NOT DEPOSIT" are not negotiable. Personal checks drawn on the Federal Reserve Bank are frivolous. The Federal Reserve Bank does not provide personal checking accounts.
- (3) Do **not** process a questionable remittance through normal remittance processing. Contact the Fraud Detection Center (FDC) to determine whether to send the FDC the remittance or return the payment to the taxpayer. Refer to IRM 3.8.45.4.11, Questionable Payments, for further information.

5.1.2.7.3.5  
(09-26-2014)  
**Post-Dated Checks**

- (1) A check dated in the future is referred to as a post-dated check. Do not solicit post-dated checks. If a taxpayer pays with a post-dated check, ask for a currently dated check instead. If the taxpayer is not available when the check is received, attempt to contact them by phone.
- (2) Routinely, revenue officers must not accept post-dated checks.
- (3) On an exception basis, with approval of local management, a revenue officer may accept a post-dated check from a taxpayer. Local management should strongly consider requiring the taxpayer to make payment by other means when the funds are actually available rather than approve acceptance of a post-dated check. For example, the taxpayer may mail the payment, pay by credit card, or EFTPS (if enrolled) when the funds are available per IRM 5.1.2.6.4, Alternate Methods of Payment.
- (4) If a revenue officer accepts a post-dated check upon management approval, the officer must not remit the check until the date on the check, as agreed between the officer and the taxpayer. If a revenue officer remits a post-dated check before the date of the check, then Submission Processing is required to return the post-dated check as non-negotiable remittance. The check is a non-negotiable instrument until the date on the check. Therefore the earliest received date for a future dated check is the first date the check is negotiable. Banks return post-dated checks and the IRS incurs costs to process them. Form 3244 Payment Posting Voucher must reflect the date the check is negotiable.

**Example:** A revenue officer in a rural state is collecting from a taxpayer in their official capacity. The taxpayer wants to give a check dated for the following Monday when their salary is directly deposited and today is Thursday. It is more prudent to pick up the post-dated check and hold

until Monday than to drive 25 more miles on the following Monday. The revenue officer would get approval from management before accepting the post-dated check.

- (5) Do not issue a Form 809, Receipt for Payment of Taxes, for a post-dated check. This is a critical error on Form 809 for the date of issue. If the taxpayer insists on a receipt for payment of taxes and is unwilling to accept a stamped photocopy per IRM 5.1.2.6.3(5) as proof of delivery then make arrangements to receive the payment when the funds are available. For example, the taxpayer may mail the payment, pay by credit card, or EFTPS (if enrolled) when the funds are available per IRM 5.1.2.6.4, Alternate Methods of Payment.

5.1.2.7.4  
(08-15-2008)  
**Alternate Methods of  
Payment**

- (1) Taxpayers may want to know about or choose to use an alternate method of payment. Advise a taxpayer, upon request, about any or all of the following alternate methods of payment.

5.1.2.7.4.1  
(08-20-2021)  
**The Electronic Federal  
Tax Payment System  
(EFTPS)**

- (1) The Electronic Federal Tax Payment System (EFTPS) allows individuals and businesses to make electronic deposits and payments for federal taxes such as Employment Taxes, Excise Taxes, Corporate Income Taxes and Form 1040 Estimated taxes. See IRM 21.2.1.47, Electronic Federal Tax Payment System, for further information.
- (2) The system enables taxpayers and tax professionals to make federal tax payments electronically using:
  - EFTPS-Online
  - EFTPS-PC Software
  - EFTPS-Phone
  - EFTPS Batch Provider software for professionals
- (3) Taxpayers enrolled in EFTPS can be in total control of their tax payments. EFTPS enables taxpayers to:
  - Make tax payments 24 hours a day, 7 days a week from home or office.
  - Schedule payments in advance.
  - Review the last 120 days of tax payment history online or by calling Customer Service.
- (4) Encourage taxpayers to enroll in the (EFTPS). Taxpayers receive an Electronic Funds Transfer (EFT) Acknowledgement Number for every EFTPS transaction for easy record keeping and as proof of the transaction . Point out that using EFTPS saves time and money and can eliminate last minute trips to the bank or post office, lost checks, or missed deadlines.
- (5) Taxpayers can enroll in EFTPS by:
  - a. visiting the EFTPS web site at: <http://www.eftps.gov>.
  - b. calling the EFTPS customer service center.
- (6) The EFTPS toll-free numbers for customer service are:
  - English 800-555-4477
  - Spanish 800-244-4829

- Telecommunications Deaf Devices (TDD) 800–733–4829 (8:00 a.m. to 8:00 p.m. ET M-F)
- Financial Institutions 800–605–9876

5.1.2.7.4.2  
(08-20-2021)  
**Credit Card**

- (1) Taxpayers may pay federal tax payments by credit card. The IRS has contracts with three companies to accept credit card charges from both electronic and paper filers. Each company offers both phone and Internet payment services and each charges a convenience fee for the service. Fees are based on the amount of the tax payment and may vary between companies. The three companies are:
  - ACI Payments Inc. at 800-272-9829, or at <https://fed.acipayonline.com>
  - Link2Gov at 888-658-5465, or at <http://www.pay1040.com>
  - World Pay US, Inc. at 855-508-0159, or at <http://www.payUSAtax.com>
- (2) Anyone may use these services to charge taxes to an American Express Card, Discover Card, MasterCard, or VISA card. Taxpayers do not need to be enrolled in the program to make a payment.
- (3) See IRM 21.2.1.48.4, Credit or Debit Card Payments (Pay by Phone or Internet), for more information on the credit card payment program.
- (4) When a taxpayer notifies you that they full paid their account by credit card the case cannot be closed manually on ICS. Notate the payment in your history and hold until the case closes systemically.

5.1.2.7.4.3  
(03-08-2023)  
**Federal Tax Application  
(FTA) Same-day Wire**

- (1) All taxpayers who need to make a same-day wire payment can use the Federal Tax Application service. The service is available through financial institutions. The financial institutions generally charge a fee to the taxpayer for initiating the payment. Some institutions reserve the service for their clients. To complete a FTA wire, the taxpayer must complete a Same-day worksheet and present it to the financial institution that will handle the transaction. Both taxpayers within and outside the United States can take advantage of the Federal Tax Application and make a same-day wire. This platform is an acceptable form of payment in instances where the taxpayer is requesting a lien release in exchange for full payment. A certificate of release may be issued when full payment of the liability is made by an electronic funds transfer (EFT) and the payment has fully posted to IDRS (i.e., no longer pending). See IRM 5.12.3.3.1.1.1(2), Lien Release and Related Topics-Electronic and Credit Card Payments for additional instructions related to immediate lien release requests. The taxpayer does not need to be enrolled in EFTPS to make a Federal Tax Application wire payment. Separate instructions apply and can be secured on the EFTPS website at [www.EFTPS.gov](http://www.EFTPS.gov). On the website, go to “Help and Information”, then to “Downloads” to find the same-day wire worksheet instructions and the International Guide for Federal Tax Payments.

5.1.2.7.4.4  
(06-20-2013)  
**Electronic Funds  
Withdrawal (Direct Debit)**

- (1) Taxpayers who electronically file various returns and/or tax forms via an electronic return originator (ERO) or online can simultaneously authorize the Treasury to make an electronic funds withdrawal (direct debit) from a designated checking or savings account to pay a balance due, including interest and/or penalty. See IRM 21.2.1.47 , Electronic Funds Withdrawal (Direct Debit), for further information.

## 5.1.2.8

(08-20-2021)

**Form 809 — Receipt for Payment of Taxes**

- (1) IRC Section 6314, Receipt for taxes, requires the Service, upon request from the taxpayer or the taxpayer's designee, must supply a receipt for all sums collected. Further, IRM 5.1.2.8.5, Issuing Form 809 requires the issuance of a Form 809 for every payment of cash. IRM 3.8.47.2.5, Manual Deposit for Field Office Payment Processing-Receipt for Payment IRM 3.8.47.2.5, defines the Form 809 as the *only* official receipt for payment.
- (2) IRS employees must not substitute a Form 809 with any other form of documentation of payment such as a copy of a Form 3244, Payment Posting Voucher or a date-stamped copy of the taxpayer's check or money order.
- (3) General program Field Collection group managers (GMs), as well as GMs of Abusive Tax Avoidance Transaction (ATAT) and International groups must ensure each revenue officer (RO) is assigned a Form 809 receipt book. Guidance for requesting assignment of a Form 809 receipt book is provided in IRM 5.1.2.8.1, Initial Form 809 Receipt Book.
- (4) Assignment of Form 809 receipt books to ROs assigned to Field Offer in Compromise revenue officers, Centralized Offer in Compromise offer examiners, Field Insolvency revenue officers and Civil Enforcement, Advice and Support Operations (CEASO) revenue officers is at the discretion of the GM.
- (5) If a Field OIC, Centralized OIC, Field Insolvency or CEASO GM decides to not assign Form 809 receipt books to these specialty collection revenue officers, the GM must secure a date stamp that reads: "PROOF OF DELIVERY ONLY-THIS IS NOT AN OFFICIAL RECEIPT" for taxpayers who request confirmation the payment was delivered to the office, but do not require an official receipt, consistent with IRM 5.1.2.7.3, Check or Money Order Payments.
- (6) Per IRM 21.3.4.24(2), the "Proof of Delivery-Not An Official Receipt" stamp should also contain: "Internal Revenue Service, Month, Day, Year, City and State."
- (7) Each Form 809, Receipt for Payment of Taxes, receipt book contains 50 sets of receipts (4 parts each) enclosed within a front and back cover.
- (8) The inside of the front cover provides several spaces for completion:
  - Received on — the month, day, and year of receipt
  - (Signature of employee) — signature of authorized employee
  - (Division – Area) — division and area
  - (Post of Duty) — post of duty
- (9) The first page is labeled Receipt Page; it provides several spaces for completion:
  - (Date)— the month, day and year of receipt
  - (Signature of employee) — signature of authorized employee
- (10) Each individual Form 809 receipt includes 4 parts labeled as follows:
  - Part 1— Posting Voucher
  - Part 2 — Receipt for Payment of Taxes
  - Part 3— Memo Copy (not a Posting Voucher)
  - Part 4— Receipt Book Copy (not a Posting Voucher)

**Note:** The TIN is now obscured on part 4.

- (11) The last two pages are duplicate copies labeled Request for Forms 809, Receipt for Payment of Taxes (Submit in duplicate). These pages provide numerous spaces for completion to order a new Form 809 receipt book.

5.1.2.8.1  
(06-20-2013)

**Initial Form 809 Receipt Book**

- (1) As a General Program, ATAT or International revenue officer, you are required to have a Form 809 receipt book assigned to you. The assignment of Form 809 receipt books is optional for Field Offer in Compromise revenue officers, Centralized Offer in Compromise revenue officers, Field Insolvency revenue officers and Civil Enforcement, Advice and Support Operations (CEASO) revenue officers.
- (2) Your manager or an official approved by the Area Director must order your initial Form 809 receipt book by submitting an authorization memorandum to Submission Processing.
- (3) Identify the following in the memorandum:
- Authorized employee's name or approved pseudonym, SEID number, Badge ID number, post of duty (POD), and address
  - Manager's name, SEID number, post of duty (POD), and address
  - Operating division
  - Management hierarchy down to the group level

**Note:** This is necessary to ensure the information is on file in case the accountable officials have to be contacted.

- (4) Verify that the Form 809 receipt book is complete upon receipt.
- (5) Complete all of the required entries on the inside of the front cover:
- a. Received on — enter the month, day, and year of receipt
  - b. (Signature of employee) — write your signature
  - c. (Division – Area) — enter your division and area
  - d. (Post of Duty) — enter your post of duty
- (6) Complete all of the required entries on the first page labeled Receipt Page:
- (Date)— enter the month, day, and year of receipt
  - (Signature of employee) — write your signature
- (7) Send the signed Receipt Page to the Submission Processing Teller Unit within **5** workdays after receipt of your 809 book.

**Exception:** Prepare an acknowledgement memorandum if the receipt page is inadvertently missing or lost, and send the memorandum to the Submission Processing Teller Unit.

- (8) Maintain strict control of your Form 809 receipt book and the individual receipts. Your Form 809 receipt book it is not transferable.

**Note:** When Submission Processing issues a Form 809 receipt book to an authorized employee, the staff records the serial number of the book and the name of the employee to whom the book was issued. Employees are only allowed to have one assigned Form 809 receipt book at a time.

- (9) Do not permit any other employee to use your Form 809 receipt book. The Form 809 receipt book is assigned for your exclusive use.

5.1.2.8.2  
(01-24-2012)  
**Subsequent Form 809  
Receipt Book**

- (1) Complete all of the required entries on the last two pages labeled Request for Forms 809, Receipt for Payment of Taxes (Submit in duplicate) to order a new Form 809 receipt book from Submission Processing.

**Note:** You may use carbon paper between the duplicate pages or complete each page individually.

- (2) Send the request for a new Form 809 receipt book to the Submission Processing Teller Unit by mail with Form 795/795A, Daily Report of Collection Activity. The remittance processor will keep one copy of the request and will use the other copy to send the receipt book to you by mail.

**Note:** The request may also be listed as an item Form 795/795A.

- (3) Send the signed Receipt Page to the Submission Processing Teller Unit within 5 workdays after receipt of your 809 book.

5.1.2.8.3  
(09-26-2014)  
**Separation of Duties —  
Form 809**

- (1) As a revenue officer, ensure you understand and adhere to the separation of duty requirements as they pertain to Form 809. Separation of duties is discussed in IRM 3.8.47.4.6, Separation of Duties and Blank Form 809 Security Duty.
- (2) Become aware of the separation of duty requirements as they pertain to Form 809.
- (3) Do not have "Sensitive Command Codes" in your IDRS profile.
- (4) Do not have "Sensitive Command Code Combinations" in your IDRS profile.
- (5) Managers must ensure that only an appropriate professional or technical (para-professional) employee has a Form 809 book assigned to them. Appropriate employees include revenue officers, revenue representatives, and revenue officer aides.
  - a. Clerical personnel will not be issued a Form 809 book due to the segregation of sensitive (non-research) command code duties and the duties relevant to the completion of Form 809.
  - b. Technical (para-professional) employees will not be issued a Form 809 book if the employee is an IDRS user with adjustment command codes in their profile. This is due to the segregation of sensitive command codes duties and the duties relevant to the completion of Form 809.
- (6) Managers should coordinate with their primary Unit Security Representative (USR) to ensure that all employees with an assigned Form 809 book have only research command codes in his/her Integrated Data Retrieval System (IDRS) profile. .
- (7) The USR is responsible for setting IDRS profile restrictions using the Automated Command Code Access Control system, which prevents the addition of restricted command codes listed in IRM 10.8.34 -Exhibit 9 - Restricted Command Codes for the Role: 809 Receipt Book Users and Remittance Perfection Technicians (RSTRK Definer R).

5.1.2.8.3.1  
(09-26-2014)

**Sensitive Command Codes**

- (1) A command code is considered “sensitive” if it can be used to:
  - Adjust an account balance.
  - Change the status of a tax module or account.
  - Affect the tax liability.
- (2) IRM 10.8.34, IDRS Security Controls, discusses:
  - “Sensitive Command Codes.” See IRM Exhibit 10.8.34-4, Command Codes Marked as Sensitive in the IDRS Command Code Table
  - “Sensitive Command Code Combinations.” See IRM Exhibit 10.8.34–5, Sensitive Command Code Combinations

5.1.2.8.4  
(06-20-2013)

**Returning Form 809 to Submission Processing**

- (1) Follow these procedures to return your Form 809 receipt book to Submission Processing when you:
  - a. Have issued and accounted for all the receipts in the book.
  - b. No longer require a partially-used receipt book (due to transfer, promotion, retirement, etc.).

**Note:** Temporary promotions to management positions of less than 120 days do not require returning the Form 809 receipt book. However a second temporary promotion to a management position resulting in a continuous detail longer than 120 days requires returning the Form 809 receipt book.

- (2) Use the separation PAR (SF-52) that is entered into HR Connect, to relieve a separating (transferred, promoted, retired, etc.) employee of the responsibility for accountable items, including Form 809 receipt books.
- (3) Forward the Form 809 receipt book to the Submission Processing Teller Unit by Form 795/795A or a memorandum by Traceable Mail.
- (4) Advise Submission Processing that an employee is no longer authorized to use Form 809 by one of the two following methods:
  - a. Note in the “Remarks” section of Form 795/795A.
  - b. A written memorandum.
- (5) Void all unused receipts.

5.1.2.8.4.1  
(08-15-2008)

**Returning a Depleted Form 809 Book**

- (1) Return a depleted Form 809 receipt book (i.e., just the book cover containing all Parts 4 and no unused receipts) to the designated Submission Processing Teller Unit via Form 795/795A.
- (2) Upon receipt, the remittance processor will file the book cover and Parts 4 with the related receipt book acknowledgment, Parts 3, and other related parts (if any) of all issued receipts.

5.1.2.8.4.2  
(08-15-2008)

**Returning a Partially-Used Form 809 Book**

- (1) Mark all parts of all the remaining unissued receipts **VOID**.
- (2) Return to the Submission Processing Teller Unit via Form 795/795A, Daily Report of Collection Activity , within 30 days to the Submission Processing Center that issued the Form 809 book.
- (3) Return a partially-used Form 809 receipt book by one of the two following methods:

- a. Deliver it in-person.
- b. Send it to the Submission Processing Teller Unit via Form 795/795A using **Traceable Mail**.

- (4) Use the Remarks section of Form 795/795A to indicate either "Personal Delivery" or "Traceable Mail".
- (5) Consult with your manager if you require assistance. Even if you do not have ready access to traceable mail, you must make arrangements, either to use traceable mail or to have the delivery made in-person (by yourself or by someone else). This is important because of the sensitive nature of the material (i.e., a Form 809 receipt book containing blank receipts).

**Note:** Upon receipt, the remittance processor will file the book cover and Parts 4 with the related receipt book acknowledgment, Parts 3, and other related parts (if any) of all issued receipts.

5.1.2.8.5  
(08-15-2008)  
**Issuing Form 809**

- (1) Issue Form 809, Receipt for Payment of Taxes, in every instance when cash is received.
- (2) Issue Form 809 upon request, even if the payment is by check, money order, draft, etc.
- (3) Do not give a copy of a posting document or other document to a taxpayer as a receipt instead of Form 809.
- (4) Notify your manager promptly if a taxpayer shows that anything other than Form 809 has been used as a receipt because managers must report this to the Treasury Inspector General for Tax Administration (TIGTA).

**Note:** Managers must contact TIGTA when alerted that something other than Form 809 was issued as a receipt. Contact TIGTA using the established procedures. See IRM 5.1.2.3.4.

5.1.2.8.5.1  
(09-26-2014)  
**Preparing and  
Processing Form 809**

- (1) Complete all the required entries on each page of Form 809 by following the instructions contained in Exhibit 5.1.2-1.
- Note:** To issue Form 809 to a third party, refer to Block Number 8 in the exhibit.
- (2) Do not remove the receipt from the Form 809 receipt book in order to fill it out because Part 4 must remain attached in the receipt book.
  - (3) Prepare a separate Form 809 receipt for each tax period, type of tax, or user fee covered by the payment. Use Form 809 as a posting document.

**Exception:** When Form 809 is prepared for a payment with a return, the return itself serves as the posting document.

- (4) Disperse Form 809 as follows:

Form 809	Action
Part 1	Keep with Part 3 in the receipt book until you are ready to submit them with the payment to the Submission Processing Teller Unit.
Part 2, Receipt for Payment of Taxes	Give to the taxpayer as their official receipt
Part 3	Retained by the remittance processor. It will be “drop filed” in numerical sequence for control purposes (along with the original authorization for issuing the receipt book).
Part 4	Retain in the receipt book to serve as a log of the issued receipt.

- (5) Write the following on Part 3 of Form 809:
  - Name of the bank or money order company.
  - Serial number.
  - Date of the draft or money order.
  - SEID.
- (6) Send Part 1 and Part 3 of Form 809 to the Submission Processing Teller Unit for processing via Form 795/795A, Daily Report of Collection Activity. Procedures for the preparation and use of Form 795/795A are contained in IRM 5.1.2.5.
- (7) To protect Personally Identifiable Information (PII), Form 809 books with blacked out Taxpayer Identification Number (TIN) spaces on Parts 4 should be used. If your Form 809 book does not have a blacked out TIN space on Part 4, then request a new book from your servicing Submission Processing Center or black out the TIN on Part 4 if the receipt is already completed.

5.1.2.8.5.1.1  
(08-15-2008)

**Form 809 — Issued for  
Payment on a Notice  
Account**

- (1) Issue Form 809 upon receipt for payment on a notice account (i.e., an IMF, BMF, or NMF account in a status other than Status 26).
- (2) Process Form 809 as follows:
  - a. Use Part 1 as the posting document.
  - b. Give “Part 2 — Receipt for Payment of Taxes” to the taxpayer. Part 2 is the official receipt for the payment.
  - c. Retain Part 4 in the receipt book to serve as a log of the issued receipt.
- (3) Send Part 1 (as the posting document) and Part 3 of Form 809 to the Submission Processing Teller Unit for processing via Form 795/795A, Daily Report of Collection Activity.

5.1.2.8.5.1.2  
(09-26-2014)

**Form 809 — Issued for  
Payment of Estate Tax**

- (1) IRC 6314(b) provides that duplicate receipts will be furnished upon request for payment of estate tax.
- (2) Use two consecutive sets of Form 809 receipts if you collect payment on estate taxes and the payer asks for duplicate receipts.
- (3) Write "Duplicate of Receipt No. \_\_\_\_\_ is issued in accordance with IRC 6314(b)" across the top of all parts of the second set of Form 809 receipt.
- (4) Give both copies of "Part 2 — Receipt for Payment of Taxes" to the payer. Part 2 (in duplicate) is the official receipt for the payment.
- (5) Process only the first set of Form 809 as a receipt for the payment:
  - a. Do not separately process the second set of Form 809 to avoid duplicate credit for the payment.
  - b. Compile Part 1 and Part 3 of the first set together with Part 1 and Part 3 of the duplicate second set.
- (6) Send Part 1 and Part 3 of the first set of Form 809 (together with Part 1 and Part 3 of the duplicate second set) to the Submission Processing Teller Unit for processing via Form 795/795A, Daily Report of Collection Activity. Procedures for the preparation and use of Form 795/795A are contained in IRM 5.1.2.5

**Note:** If the teller unit does not receive Part 1 and Part 3 of the duplicate second set, the teller unit will issue Form 5919, Teller's Error Advice.

- (7) Retain both copies of Part 4 in the Form 809 receipt book to serve as a log of the issued receipts (one as original and one in duplicate).

5.1.2.8.5.1.3  
(09-26-2014)

**Form 809 — Issued for  
Payment of Form 2290**

- (1) Issue Form 809 upon receipt for payment received with Form 2290, Heavy Highway Vehicle Use Tax Return .
  - a. Do not use Part 1 as the posting document.

**Note:** When Form 809 is prepared for a payment with a return, the return itself serves as the posting document.

  - b. Give "Part 2 — Receipt for Payment of Taxes" to the taxpayer. Part 2 is the official receipt for the payment.
  - c. Send Part 1 and Part 3 of Form 809 to the designated Submission Processing Teller Unit (i.e., the teller unit that issued the Form 809 receipt book) for processing via Form 795/795A, Daily Report of Collection Activity. Procedures for the preparation and use of Form 795/795A are contained in IRM 5.1.2.5.

**Note:** The teller unit will post the payment and forward the Form 2290 to the Cincinnati Service Center for processing because Form 2290 processing is centralized in Cincinnati.

  - d. Retain Part 4 with the receipt book to serve as a log of the issued receipt.

5.1.2.8.5.1.4  
(01-24-2012)

**Form 809 — Issued for  
Payment in Other  
Special Cases**

- (1) Form 809 is issued in other special cases such as:
  - Certificate of sale (See IRM 5.10.5.13, paragraph (7) (8), Payment of Purchase Price.)
  - Photocopy fees ( Exhibit 5.1.2-1.)
  - Courtesy investigation (See IRM 5.1.8.3, Receiving Office-Action and Report.)
  - Erroneous refund (See IRM 5.1.8.7.1, Recovery of Unassessable Erroneous Refunds.)
- (2) Do not issue a Form 809 receipt for a Mutual Collection Assistance Request (MCAR) payment. See IRM 5.1.8.7.7.2, Procedures for Area Offices Receiving MCAR Investigations.
- (3) All other rules for processing the Form 809 generally apply in these situations.

5.1.2.8.5.2  
(03-08-2023)

**Correcting an Error —  
Voiding a Receipt**

- (1) There is potential for error when completing Form 809 with pen and ink using carbon copies. Some errors on Form 809 may be corrected and other errors cannot be corrected — it depends on whether the error is deemed **critical** or **non-critical**
- (2) Errors in the following blocks of Form 809 are deemed critical:
  - a. The taxpayer's name.
  - b. The Taxpayer Identification Number (TIN).
  - c. All money amounts.
  - d. The date Form 809 is issued.
  - e. Signature.
- (3) Errors in all of the other blocks of Form 809 are deemed non-critical.
- (4) Review the following list of items which the remittance processor will check to determine a Form 809 was accurately completed and timely processed.
  - a. Critical items are free of alterations, erasures, mark-overs and not traced over.
  - b. Errors to non-critical items have been properly corrected and initialed, and all monetary amounts agree.
  - c. Date of issuance was completed and the Form 809 receipt was not issued out of sequence.
  - d. Name of the party from whom the payment was received is completed.
  - e. Receipt was submitted promptly after issuance - the remittance is not late (untimely).
  - f. Cash payment was converted timely - no late or missing cash conversion information.
  - g. Form 809 was aligned properly and there were no other manufacturer's defects.
  - h. Form 809 is for a single type of tax and tax period - not for multiple periods.
  - i. Correct parts of Form 809 were submitted.
  - j. No remittance is missing.
- (5) Follow the procedures below if you make an error when completing Form 809.

5.1.2.8.5.2.1  
(06-20-2013)

**Critical Error Discovered  
before Issuance of Part  
2**

- (1) Void all parts of Form 809 (i.e., Parts 1, 2, 3, and 4) by clearly marking **VOID** across the face of each part.
- (2) Make no alterations, erasures, or mark-overs to correct the errors made on the erroneous Form 809.
- (3) Do not trace over critical items on the Form 809.
- (4) Enter a brief explanation of the reason for voiding the receipt on the reverse of Part 1.
- (5) Attach Parts 1, 2, and 3 (stapled together in reverse order) of the erroneous Form 809 to the Form 795/795A, Daily Report of Collection Activity, for the day the receipt was written.
- (6) Complete another Form 809 correctly as a replacement for the incorrect receipt. Write "replacement for receipt # NNNNNN-NN, issued on MMDDYYYY", across the top of the replacement Form 809.
- (7) Retain both copies of Part 4 in the Form 809 receipt book to serve as a log of the voided receipt and the replacement receipt.

5.1.2.8.5.2.1.1  
(08-15-2008)

**ICS Requirement —  
Form 809**

- (1) The Integrated Collection System (ICS) requires that every Form 809 entered on a Form 795A, Remittance and Return Report, has a positive money amount.
- (2) Follow these steps to list a voided Form 809 on the Form 795A.
  - a. Input \$0.01 (one cent) as the money amount.
  - b. Select edit after inputting and saving \$0.01.
  - c. Change the dollar amount to zeros.

**Note:** ICS allows the zeroes in the edit process.

  - d. Print Form 795A which will reflect the zero dollar amounts and match the voided Form 809.

**Note:** By performing these actions, you will avoid receiving a Form 5919, Teller's Error Advice.

5.1.2.8.5.2.1.2  
(01-24-2012)

**Critical Error Discovered  
after Issuance of Part 2**

- (1) Make every effort to recover the erroneous Part 2 of Form 809 from the taxpayer if you discover an error after you issued Part 2 to the taxpayer.
- (2) If the discovery of the critical error occurs after Parts 1 and 3 are sent to Submission Processing and a Form 5919 has not been issued by the teller, contact the teller to issue a Form 5919. Per IRM 3.8.47.7.4, the teller will send Parts 1 and 3 with the Form 5919. Upon receipt of the Form 5919 with Parts 1 and 3 follow all the procedures in IRM 5.1.2.7.6.1, Form 5919 Procedures — Form 809.
- (3) If you **can** recover the erroneous Part 2 follow the procedures in IRM 5.1.2.7.5.2.1, Critical Error Discovered before Issuance of Part 2.

**Caution:** Issue the replacement Part 2 to the taxpayer only if the erroneous Part 2 is recovered.

- (4) If you **cannot** recover the erroneous Part 2:

- a. Void all parts of the erroneous Form 809 (i.e., Parts 1, 3, and 4) by clearly marking **VOID** across the face of each part.
- b. Make no alterations, erasures, or mark-overs to correct the errors made on the erroneous Form 809.
- c. Enter a brief explanation of the reason for voiding the receipt on the reverse of Part 1. Include a statement explaining why the erroneous Part 2 could not be recovered from the taxpayer in the explanation.

**Note:** If the reason for the void does not contain any reference to Part 2 not being recovered, then it is considered 'improperly voided'. The audit trail must reflect the loss of the receipt.

- d. Complete another Form 809 correctly as a replacement for the incorrect receipt. Write "replacement for receipt # NNNNNN-NN, issued on MMDDYYYY", across the top of the replacement Form 809.

**Caution:** Issue the replacement Part 2 to the taxpayer only if the erroneous Part 2 is recovered.

- e. Include the following with Form 795/795A, Daily Report of Collection Activity: 1. Part 1 and Part 3 of the voided receipt. 2. Part 1, Part 2, and Part 3 of the replacement receipt.
- f. Retain both copies of Part 4 in the Form 809 receipt book to serve as a log of the voided receipt and the replacement receipt.

5.1.2.8.5.2.2  
(08-15-2008)

**Non-Critical Error**

- (1) Line through the non-critical error.
- (2) Make the necessary correction(s) to correct a non-critical error by entering the correct information.
- (3) Line through any error(s) to make the necessary correction(s). Do not make any of the following to correct a non-critical error:
  - a. Alterations.
  - b. Erasures.
  - c. Mark-overs.
- (4) Initial all corrections.

5.1.2.8.6  
(09-26-2014)

**Responding to Form 5919 Involving Form 809**

- (1) This section provides procedures for processing Form 5919, Teller's Error Advice, involving Form 809. Form 5919 will be electronically issued to inform a Field Collection (FC) manager about a late remittance(s) or about an error(s) on an official receipt. Refer to IRM 3.8.47.5.8.4, Critical Errors on Form 809 or Remittances (Requires Issuance of Form 5919 and Acknowledgement). Submission Processing will send Form 5919 to your manager when a remittance processor receives one of the following:
  - a. An improperly prepared Form 809 receipt.
  - b. A late (untimely) Form 809 receipt (i.e., a receipt not received in Submission on a timely basis).
  - c. A receipt that is out of numerical sequence.
  - d. An incorrect money amount or any money amount discrepancy.
- (2) Refer to IRM 5.1.2.5.6.1 Processing Form 5919, for required actions.

5.1.2.8.6.1  
(01-24-2012)  
**Form 5919 Procedures  
— Form 809**

- (1) Follow the procedures in IRM 5.1.2.7.5.2.1.2, Critical Error Discovered after Issuance of Part 2, if Form 5919 is requesting replacement Form 809.
- (2) Annotate “Response to Form 5919” on Form 795/795A to identify Form 5919 and attach a copy of the Form 5919 with the Form 809 replacement receipt and voided receipt on the Form 795/795A.
- (3) Send the Form 795/795A to the remittance processor within 15 workdays of issuance of Form 5919.

**Exception:** The issuer of the Form 5919 may shorten the required response time because there is a business need such as a remittance missing or the Form 5919 is issued electronically. If the issuer of the Form 5919 shortens the required response time send the Form 795 to the remittance processor within the shortened response time.

5.1.2.8.7  
(01-24-2012)  
**Lost or Stolen Form 809**

- (1) Report *immediately* to the remittance processor in the designated Submission Processing Center when one of the following is missing (i.e., lost or stolen):
  - a. Form 809 receipt book,
  - b. An individual Form 809 receipt(s), or
  - c. A part(s) of a Form 809 receipt.
- (2) Report by email, phone, or fax to the RSC contact by checking the Submission Processing Remittance Security website at: *SP Center Field Office Payment Processing Key Contacts and Liaisons*.
- (3) Report to TIGTA by online form, email, phone, fax, or mail per IRM 5.1.2.3.6.1.
- (4) Prepare a memorandum to the territory manager (through your manager) in quintuplicate to report the loss or theft.
- (5) Include the following in the memorandum:
  - a. Your name and post of duty.
  - b. Serial number(s) of the missing receipt(s) and/or the part(s) of the missing receipt(s).
  - c. Date the receipt(s) was/were lost or stolen.
  - d. A brief statement of the circumstances surrounding the loss or theft.
  - e. A brief statement of the action taken to recover the receipts.
- (6) Submit the memorandum and **3** copies through your manager to the territory manager.
- (7) Retain a copy of the memorandum in the case file.
- (8) Photocopy the signed memorandum upon receipt from the territory manager.
- (9) Forward the copy of the signed memorandum via Form 795/795A, Daily Report of Collection Activity, to the remittance processor in Submission Processing.

**Note:** The remittance processor will file the copy of the memorandum in place of the missing receipt(s).

- (10) Furnish copies to other functions within your area that should be alerted about the loss or theft, e.g., Appeals.

5.1.2.8.7.1  
(08-15-2008)

**Recovery of Lost or  
Stolen Form 809**

- (1) Prepare a memorandum to the territory manager (through your manager) to report the recovery of a Form 809 receipt(s) reported missing (i.e., lost or stolen).
- (2) Prepare the memorandum in quintuplicate and include the following:
  - a. Your name and post of duty of the person reporting the recovery.
  - b. Serial number(s) of the receipt(s) recovered.
  - c. Date the receipt(s) was recovered.
  - d. Date of the original memorandum reporting the receipt(s) as missing.
  - e. A brief statement that the recovered receipt(s) has been canceled by voiding.
  - f. A brief statement of the circumstances surrounding the recovery of the receipt(s).
- (3) Submit the memorandum and **3** copies through your manager to the territory manager.
- (4) Retain a copy of the memorandum in the case file.
- (5) Void the recovered receipt(s) by writing or stamping **VOID** on all 4 parts of the receipt(s) and arrange the parts in reverse order.

**Exception:** It is not necessary to arrange the parts in reverse order if the receipt(s) remain in the Form 809 receipt book.

- (6) Staple a copy of the recovery memorandum to the Form 809 receipt book.

**Note:** No explanation of the reason for voiding the receipts is required on the reverse of Part 1.

- (7) List the recovered receipts on Form 795/795A, Daily Report of Collection Activity:
  - a. Enter "Recovered 809 Receipt(s) — Voided" in the Taxpayer column.
  - b. Enter the serial number(s) of the receipt(s) in the Receipt No. column.
- (8) Submit the recovered receipt(s) and a copy of the recovery memorandum with Form 795/795A to the Submission Processing Teller Unit.
- (9) Furnish copies to the other functions within the area which were originally alerted about the loss or theft, e.g., Appeals.

5.1.2.8.8  
(09-26-2014)

**Annual Reconciliation of  
Official Receipts**

- (1) The Annual Reconciliation of Official Receipts:
  - a. Is a yearly review of all official receipts in the Official Receipts Database.
  - b. Is necessary to verify that all official receipts have been accounted for.
  - c. Is a matter of official interest.
  - d. Must be responded to timely.
  - e. Will be initiated by the remittance processing unit in the SB/SE Submission Processing Centers.
- (2) Collection Headquarters (i.e., Collection Policy) will issue an Annual Reconciliation of Official Receipts memorandum to Field Collection (FC) if Collection

Policy receives advance notice from SB/SE Submission Processing about the time planned for the reconciliation to take place. The memorandum, if issued, will provide:

- Specific reconciliation procedures
- Response dates
- Points of contact

(3) The Official Receipts Database:

- Is an e-Trak application maintained by Submission Processing.
- Is not automatically updated from any personnel rosters.
- Is accessible by Field Collection group managers only.

(4) Managers will review all of the official Form 809 receipt books assigned to the group employees at least once a year. Report personnel changes, as they occur, to the designated Submission Processing Center to maintain the accuracy of the database.

**Note:** Submitting updates during the year, as they occur, will result in a more accurate list of employees for Submission Processing to use to perform the Annual Reconciliation of Official Receipts.

(5) Following are examples of the types of changes that require updating:

- a. An employee moves to a new manager but remains in the area.
- b. An RO group gets a new manager.
- c. A manager no longer has the authority to request the Form 809 booklets.

(6) E-mail any updates to the same address used to request new receipt books. See IRM 3.8.47.6.17 for more information about the Annual Reconciliation of Official Receipts.

5.1.2.8.8.1  
(08-15-2008)  
**Annual Reconciliation  
Procedures**

(1) Respond in the following manner when contacted by your manager regarding the Annual Reconciliation of Official Receipts:

- Timely
- Accurately
- Thoroughly

(2) Raise any questions or concerns with the Annual Reconciliation of Official Receipts, as applicable, to:

- a. The point of contact listed in the memorandum (if issued).
- b. Your group manager.

5.1.2.9  
(06-20-2013)  
**Designated Payments**

(1) A designated payment is a voluntary payment that the taxpayer has directed to be applied in a particular manner, i.e., to a specific period or kind of tax, or as a payment of tax or interest specifically, etc. Normally such direction will be followed by the IRS.

(2) Apply undesignated voluntary payments in a manner consistent with the provisions of Rev. Proc. 2002-26 unless a specific statute, regulation or procedure requires otherwise. This can be viewed on page 11 of the IRB 2002-15 at *Internal Revenue Bulletin 2002-15*.

5.1.2.9.1  
(08-20-2021)  
**Designated Payment  
Codes**

(1) Designated payment codes (DPC) are used for various reasons, but only when applying IMF and BMF payments. Section 11 of Document 6209, ADP and IRS Information, provides information on the use of DPCs.

(2) DPCs are two-digit codes which serve a three-fold purpose:

- Facilitate identification of payments
- Indicate application of payment to a specific liability
- Identify an event which resulted in a payment

**Note:** Individual DPCs cannot always capture or quantify all dollars collected or case resolutions facilitated by the associated program. For example, payments applied under DPC 07 may not reflect the full impact of the NFTL on the collection process.

(3) Use DPCs on all posting vouchers for the following transaction codes:

- 640
- 670
- 680
- 690
- 694
- 700

**Note:** DPCs are mandatory for these transaction codes.

(4) Before assessment, use DPC-01 (non-trust fund) and/or DPC-02 (Trust Fund), as appropriate, when applying payments to the following forms/type of tax:

- Form 941 (MFT 01)
- Form 720 (MFT 03)
- Form CT-1 (MFT 09)
- Form 943 (MFT 11)
- Form 944 (MFT 14)
- Form 1042 (MFT 12)

**Note:** This list is not all inclusive.

(5) After assessment, when a payment is received on an assessed trust fund recovery penalty (TFRP) module (MFT 55) to indicate whether the payment is being applied to the trust fund penalty or the non-trust fund penalty. See examples in IRM 5.1.2.9.1.3.1.1.

5.1.2.9.1.1  
(08-15-2008)  
**Facilitate Identification  
of Payments**

(1) DPCs are used to facilitate identification of trust fund or non-trust fund employment and excise tax payments, both before and after assessment.

5.1.2.9.1.2  
(08-15-2008)  
**Show Application of  
Payment to a Specific  
Liability**

(1) DPCs are used to show application of payment to a specific liability when a civil penalty module contains both a trust fund recovery penalty and any other type(s) of civil penalty(ies).

(2) Use DPC-01 and/or DPC-02, as appropriate, when applying payments to MFT 55, but not to the other type(s) of civil penalty(ies).

5.1.2.9.1.3  
(06-20-2013)  
**Identify the Event That  
Resulted in a Payment**

- (1) DPCs are used to identify the event that was primarily responsible for the payment being made. DPCs are used at the time that payment is processed. DPCs may be used with any MFT to which the payment transaction code will post.

5.1.2.9.1.3.1  
(08-15-2008)  
**Examples — Using  
DPCs**

- (1) The following examples illustrate some of the uses of specific DPCs.

5.1.2.9.1.3.1.1  
(08-15-2008)  
**Examples — Using  
DPCs**

- (1) Consider these examples about using DPCs.

**Example:** BMF trust fund account:  
A payment is received on a Form 941 liability. A valid designation to non-trust fund tax is received.  
Use DPC-01

**Note:** You would use DPC-99 if no valid designation was received.

**Example:** IMF Civil Penalty Module:  
A payment is received on a liability. A valid designation to trust fund tax accompanies the check.  
Use DPC-02 .

**Note:** You would use DPC-99 if no valid designation was received.

**Example:** IMF Civil Penalty Module:  
A payment is received on an MFT 55 civil penalty module, which consists of a trust fund recovery penalty and W-4 penalty. The payment is intended for the trust fund recovery penalty and a valid designation to trust fund tax accompanies the check.  
Use DPC-02.

**Example:** IMF Civil Penalty Module:  
A payment is received on an MFT 55 civil penalty module, which consists of a trust fund recovery penalty and a W-4 penalty. The payment is intended for the trust fund recovery penalty but no valid designation to trust fund tax accompanies the check.  
Use DPC-01.

5.1.2.9.1.4  
(01-01-2015)  
**DPCs Valid for Use by  
Field Collection**

- (1) The following table displays the DPCs valid for use by Field Collection (FC) and provides the DPC definitions:

**DPCs Valid for Use by FC**

<b>DPC</b>	<b>Definition</b>
01	Non-trust fund payment: Payment is to be applied first to the non-trust fund portion of the tax (alternate definition for MFT 55 only: Payment applied to penalty other than trust fund recovery penalty.)
02	Trust fund payment: Payment is to be applied first to the trust fund portion of the tax (alternate definition for MFT 55 only: Payment applied to trust fund recovery penalty.)
03	Undesignated bankruptcy payment
05	Notice of Levy: a third party payment in response to a levy and does not include payments from the taxpayer as a result of a levy
06	Seizure and Sale: proceeds received from a seizure (i.e. seized cash), a sale of seized assets, or for the release of a seizure.
07	Payment received expressly for full or partial payoff of the Notice of Federal Tax Lien, as evidenced by accompanying NFTL payoff letter (e.g., L-3640, L-3640A, L-3641), copy of the NFTL, or statement of the taxpayer or third party, as documented in appropriate history.
08	Suit
09	Offer in Compromise (OIC)
10	Manually Monitored Installment Agreement (MMIA)
11	Bankruptcy payment, designated to trust fund
12	Cash Bond Credit (allowed with TC 640 only)
13	Payment made in response to Reminder Notice
14	CSED expired, taxpayer authorized payment
24	Payment with Amended Return
31	Used to exclude payment from systemic cross-reference processing to allow different treatment of each spouse on a jointly filed return
35	OIC subsequent payments made during the offer investigation under TIPRA legislation
36	Voluntary Shared Responsibility Payment (SRP)
99	Miscellaneous payment (do not use if another DPC Code is applicable)

**Note:** DPC 35 is not pre-printed on Form 809 prior to (Rev. 5-2009).

5.1.2.9.1.5  
(08-20-2021)

**DPCs Not Valid for use  
by FC**

- (1) The following table displays the DPCs not valid for use by Field Collection (FC) and provides the DPC definitions:

***DPCs Not Valid for Use by FC***

<b>DPC</b>	<b>Definition</b>
04	Levy on State Income Tax Refund, (OBSOLETE 07-22-1998)
15	Taxpayer payments received with Form 8519, (ACS) Taxpayer's Copy of Notice of Levy
16	Federal Wire Transfer [electronic funds transfer (EFT)] levy payment(OBSOLETE 10-01-2014)
17	Federal Wire Transfer [electronic funds transfer (EFT)] payroll deduction Installment Agreement payment (OBSOLETE 10-01-2014)
18	Federal Payment Levy Program (FPLP) payment received electronically from Financial Management Service(FMS) (systemically applied payment) for primary taxpayer
19	Federal Payment Levy Program (FPLP) payment received electronically from Bureau of the Fiscal Service (BFS) (systemically applied payment) for secondary taxpayer
20	State Income Tax Levy Program payment (Automated SITLP) (systemically applied payment)
21	State Income Tax Levy Program payment (Manual SITLP) (manually applied payment)
22	Alaska Permanent Fund Dividend Levy Program payment (Automated SITLP) (systemically applied payment)
23	Alaska Permanent Fund Dividend Levy Program payment (Manual SITLP) (manually applied payment)
30	Identifies a payment for the Municipal Income Tax Levy (MTLP)
33	OIC \$205 application fee for offers submitted under TIPRA legislation
34	OIC 20% lump sum or initial periodic payment under TIPRA legislation
50	Installment Agreement Origination User Fee
51	Installment Agreement Restructured User Fee
54	Reserved (prior to September 2006 used for Lien Subordinations; from September 2006 through end of September 2009 used for Private Debt Collection Agency Payments)

**Note:** All but DPCs 50 and 51 are not pre-printed on Form 809 (Rev. 5-2009).

5.1.2.9.1.6  
(09-26-2014)

**DPCs For Use In  
Advisory Programs**

- (1) The following table displays the DPCs valid for use in Field Collection, Advisory programs and provides the DPC definitions:

***DPCs For Use In Advisory Programs***

<b>DPC</b>	<b>Definition</b>
53	Federal Tax Lien Discharge
55	Federal Tax Lien Subordination
56	Notice of Federal Tax Lien Withdrawal
57	Judicial and Non-judicial Foreclosure
58	Redemption and Release of Right of Redemption
59	Estate Tax Lien and Decedent Estate Proof of Claim

**Note:** The above DPCs are not pre-printed on Form 809 (Rev. 5-2009).

**Reminder:** These codes are for Advisory and Non-Advisory personnel. Non-Advisory personnel may use these codes with concurrence of Advisory.

5.1.2.9.1.7  
(01-24-2012)

**DPCs in Bankruptcy  
Cases**

- (1) Refer to the detailed instructions related to application of payments in bankruptcy in IRM 5.9.15.2, Applying Payments in Bankruptcy.

**Note:** Generally, it is the responsibility of the Insolvency staff to post payments when a taxpayer is in bankruptcy.

- (2) Refer any questions related to designation of payments received from a taxpayer in bankruptcy to the Insolvency Staff.
- (3) Use DPC-03 (Undesignated bankruptcy payment) on most payments received from the bankruptcy estate.

**Exception:** In cases where a confirmed plan provides for designation to trust fund tax, use DPC-11 (Bankruptcy payment, designated to trust fund).

5.1.2.9.1.8  
(01-01-2015)

**DPCs for a Shared  
Responsibility Payment  
(SRP) Module**

- (1) Under the Affordable Care Act (ACA), the Federal government, state governments, insurers, employers and individuals are given shared responsibility to reform and improve the availability, quality and affordability of health insurance coverage in the United States. Starting in 2014, the individual shared responsibility provision calls for each individual to have minimum essential health coverage (known as minimum essential coverage (MEC)) for each month, qualify for a coverage exemption, or make a shared responsibility payment (SRP) when filing their Federal income tax return. The amount of any payment owed takes into account the number of months in a given year an individual is without minimum essential coverage or a coverage exemption from the responsibility to maintain MEC.
- (2) The Shared Responsibility Payments were eliminated as part of the Tax Cuts and Jobs Act. The individual shared responsibility payment was reduced to zero as a result starting in 2019.

- (3) An SRP amount owed is not subject to penalties, levies, or the filing of a Notice of Federal Tax lien. Therefore DPC 05, 06, 07, 16, 18, 19, 20, 21, 22, 23, 30, and 32 will not be used when applying a payment to an SRP module.
- (4) The following are the only DPCs to be used for an SRP module; DPC 03, 09, 10, 14, 24, 34, 35, 36.

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**Exhibit 5.1.2-1 (08-20-2021)****Form 809 Instructions**

Form <b>809</b> (Rev. May 2009)		<b>Part 3 — Memo Copy</b>					
Tax ID number		Name control		Deposit Trace ID		Designated Payment Codes 01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 24 31 33 34 35 50 51 99 _____	
Tax form number		Period covered		MFT		Type of payment <input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Money Order	
<b>Note.</b> If cash is converted, enter vendor name, serial number and date. ➡   						Assessed amount	
						Accrued penalty	
						Accrued interest	
						Fees TC 360	
Signature of IRS employee						Other TC	
						Total amt. received	
Date				Employee SEID number			
Catalog No. 20650E		<b>Part 3 — Memo Copy (not a Posting Voucher)</b>				www.irs.gov    Form <b>809</b> (Rev. 5-2009)	

(1) Follow the instructions displayed in the following tables to prepare Form 809.

**Note:** The current Form 809 (Rev. 5-2009) does not contain a block for the “Daily Transaction Register (DTR)”. With the implementation of ICS, the DTR block on Form 809 (with revision dates prior to 5-2009) is obsolete. However, the older versions of Form 809 which still reflect the DTR block are still valid for use.

**Exhibit 5.1.2-1 (Cont. 1) (08-20-2021)**  
**Form 809 Instructions**

***Form 809 Instructions***

<b>Block Label</b>	<b>Instructions</b>
Tax ID number	(a) Enter the taxpaying entity's Employer Identification or Social Security Number (or the words Applied For) and include the file source. <b>Note:</b> Enter* for an invalid SSN or N for a Non-Master File SSN or EIN, etc.
Name control	Enter the name control for the taxpaying entity.
Deposit Trace ID	This block is reserved for employees in the Taxpayer Assistance Centers.
Tax form number	(a) Enter the tax form number.
Period covered	(a) Enter only one tax period as printed on the balance due, Notice, Tax Return, etc. • Use YYYYMM format.
MFT	(a) Enter the appropriate Master File Tax (MFT) code for the type of tax being collected.
Type of payment	(a) Check the type of payment received: • Cash• Check• Money Order <b>Note:</b> Prepare separate Form 809 receipts if different types of payment are received for the same tax form and tax period (i.e., cash and/or check and/or money order).

**Exhibit 5.1.2-1 (Cont. 2) (08-20-2021)**  
**Form 809 Instructions**

Block Label	Instructions
Payment received from <b>Note:</b> This block is labeled <b>If cash is converted</b> on Part 3 of Form 809.	(a) Print the full name and address (including the zip code) of the taxpayer whose account is to be credited with the payment. (b) Record the following information to process a receipt for a payment from a third party: • Enter the third party's name immediately below the words Payment received from (Name and address). • Enter the statement "For the account of" immediately preceding the taxpayer's name. • Use care not to obstruct the cash conversion information on Part 3 if cash is converted to a bank draft or money order. (c) Record the following information on Part 3 in the space provided immediately to the right of the words <b>If cash is converted, identify vendor, serial number and date</b> to process a receipt for a cash payment converted to a check or money order: • the name of the issuing bank or money order company, • the serial number, (Serial number location depends upon the issuer of the money order. Contact the issuer of the money order if unable to locate the serial number.) • the date, and • your SEID.
Signature of IRS employee	(a) Write your signature.
Date	(a) Enter the date of the payment, i.e., the date of Form 809 preparation.
Employee SEID number	(a) <b>Enter your complete badge number.</b> Do not use your SEID on any part that is given to the taxpayer. Provide your SEID on Part 3 in the <b>if cash is converted</b> block.
Designated Payment Codes	(a) Circle or enter the appropriate Designated Payment Code (DPC): • Circle the appropriate pre-printed DPC • Enter the appropriate DPC on the blank line (to the right of DPC 99) if it is not pre-printed and circle it. <b>Note:</b> The Designated Payment Codes block on Form 809 contains a small blank line for insertion of a new Designated Payment Code in case new codes are developed in the future.

**Exhibit 5.1.2-1 (Cont. 3) (08-20-2021)**  
**Form 809 Instructions**

Block Label	Instructions
Assessed amount	(a) Enter the assessed amount being paid when Form 809 is issued for a payment received on a bal due or Notice. <b>Caution:</b> Do not enter the assessed amount received with a tax return.
Accrued penalty	(a) Enter the unassessed accrued penalty amount only. • Enter that portion of the payment which is attributable to accrued penalty when payment is received with a tax return. • Enter the portion attributable to the tax amount shown on the return in the Other TC block.
Accrued interest	(a) Enter the unassessed accrued interest amount only. • Enter that portion of the payment which is attributable to accrued interest when payment is received with a tax return. • Enter the portion attributable to the tax amount shown on the return in the Other TC block.
Fees	(a) Enter lien fees and/or seizure related expenses which have not been previously assessed.
Other TC	(a) Enter any additional debit(s). • Enter any unassessed tax amount. • Enter restricted interest and/or restricted penalty. <b>Example:</b> Estimated Tax Penalty — TC-170 <b>Example:</b> Failure to Deposit Penalty — TC 180, etc.
Total amt. received	(a) Enter the total amount received. <b>Caution:</b> The amount must balance to the credit amounts.

**Additional Form 809 Instructions**

Receipt for:	Instructions
Photocopy Fees	(a) Follow these procedures to process a receipt for photocopy fees. (b) Write Non-Tax in <b>Tax ID number</b> . (c) Do not complete <b>Name control</b> — insert a dash in the block. (d) Do not complete <b>MFT</b> — insert a dash in the block. (e) Do <b>not</b> complete <b>Issue DTR</b> (if pre-printed on the form — insert a dash in the block). (f) Check the appropriate payment type in <b>Type of payment</b> . • Cash • Check • Money Order (h) Write out what the payment is for (i.e., photocopy fees) <b>Tax form number</b> and <b>Period covered</b> (i) Enter the payment amount in <b>Other TC</b> .

**Exhibit 5.1.2-1 (Cont. 4) (08-20-2021)**  
**Form 809 Instructions**

Receipt for:	Instructions
User Fees	(a) Follow these procedures to process a receipt for photocopy fees. (b) Complete the following blocks: • Tax ID number. • Name control. • Type of payment. • Payment received from. • Signature of IRS employee. • Date. • Employee badge number. (c) Enter the user fee type, e.g., IA USER FEE in the boxes labeled Tax form number and Period covered. (d) Enter the user fee amount in Other TC. (e) Do not complete the MFT — insert a dash in the block. (f) Do not complete Issue DTR (if pre-printed on the form — insert a dash in the block).
Partial Payment on the Sale of Seized Property	(a) Follow the procedures in the above table to process a receipt for a partial payment on the sale of seized property. Additionally: (b) Annotate Partial Payment on Sale of Seized Property — Seizure Number _____. • Make this annotation in the upper left corner of Parts 1, 2, and 3.

