



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

21.4.3

SEPTEMBER 23, 2026

EFFECTIVE DATE

(10-01-2026)

PURPOSE

- (1) This transmits revised updates to IRM 21.4.3, Refund Inquiries, Returned Refunds/Releases.

MATERIAL CHANGES

- (1) IRM 21.4.3.1 - For consistency with other IRMs updated Audience, Policy Owner, Program Owner, Primary Stakeholders and Program Goals. Update made as result of clearance review.
- (2) IRM 21.4.3.1.1 - For consistency with other IRMs updated to include Live Chat, update made as result of clearance review.
- (3) IRM 21.4.3.1.2 - For consistency with other IRMs updated to include all relevant authorities, update made as result of clearance review.
- (4) IRM 21.4.3.1.3 - For consistency with other IRMs updated to include Taxpayer Bill of Rights in this IRM section and editorial edits throughout. Updates made as result of clearance review.
- (5) IRM 21.4.3.1.3(1) - For consistency with other IRMs updated Commissioner to Chief. IPU 26U0206 issued 02-06-2026
- (6) IRM 21.4.3.1.4 - For consistency with other IRMs updated to move Program Reports and Annual Review to this section and expand Program Effectiveness, update made as result of clearance review.
- (7) IRM 21.4.3.1.5 - For consistency with other IRMs updated to expand section to include all relevant controls, update made as result of clearance review.
- (8) IRM 21.4.3.1.6 - For consistency with other IRMs added Available Check Cancellation. IPU 26U0206 issued 02-06-2026
- (9) IRM 21.4.3.1.6 - Updated to include acronym for Tax Payer Advocate Service, update made as result of clearance review.
- (10) IRM 21.4.3.1.7 - Expanded the section to include all relevant resources for consistency with other IRMs. Updated based on clearance review.
- (11) IRM 21.4.3.2(3) - For clarity added Correspondence Imaging Inventory (CII) as a system to research for prior taxpayer contact. IPU 26U0206 issued 02-06-2026
- (12) IRM 21.4.3.3(2) - For clarity updated to show returned refund checks are directed to Image Control Team for upload to Correspondence Imaging Inventory (CII). IPU 26U0206 issued 02-06-2026
- (13) IRM 21.4.3.4(1) - For clarity updated to reassign misrouted cases to the proper campus. IPU 26U0206 issued 02-06-2026
- (14) IRM 21.4.3.5(1) - Updated to include new inventory procedures for using the Available Check Cancellation on the Treasury Check Information System platform. Removed procedures for the Returned Refund Program in Account Management Services (AMS). Included reminder when there is potential refund fraud involved not to send letters. IPU 26U0206 issued 02-06-2026

- (15) IRM 21.4.3.5(1) (1) - Removed procedure to forward non IRS check copies to Headquarters as new procedures have been established with BFS for non IRS checks and documentation. Added procedures to follow IRM 21.4.3.5.5 Resolving Returned Refunds (Unexpired Checks). IPU 26U0383 issued 04-01-2026
- (16) IRM 21.4.3.5(1) (1) - For clarity information to include Row 16. Both Row 15 and Row 16 in the linked IRM 21.4.3.5.5(4) have scenarios for non-IRS related checks. SERP Feedback 38809. IPU 26U0515 issued 05-11-2026
- (17) IRM 21.4.3.5(1) 3 - Removed procedures to use CII capture function as it is unavailable for capture outside IDRS. SERP Feedback 40281. IPU 26U0607 issued 06-05-2026
- (18) IRM 21.4.3.5(1) - Reorganized the information into a chart to improve consistency and clarity. Updated based on clearance review.
- (19) IRM 21.4.3.5(2) - For consistency updated procedures to follow after ACC has been input on TCIS. Also added procedures to follow for inventory not yet in CII which is in Refund Inquiry. Removed procedures to make photocopies of Refund Check and correspondence and forward to ICT. Also, included time frame to allow for funds to be returned from BFS, and procedures to follow when funds have not been returned. SERP Feedback 33147. IPU 26U0206 issued 02-06-2026
- (20) IRM 21.4.3.5(2) - Removed procedure to forward ACH trace or TCIS Trace number, instead advised to forward case to planning and analysis liaison instead of Headquarters as new procedures have been established with BFS. SERP Feedback 38288. For clarity added to allow up 45 days after referral to planning and analysis for response. SERP Feedback 38626. IPU 26U0383 issued 04-01-2026
- (21) IRM 21.4.3.5(2) (1) - To avoid erroneous refund added instruction to input TC 570 in order to hold credit on account after input of ACC to TCIS to cancel refund. IPU 26U0515 issued 05-11-2026
- (22) IRM 21.4.3.5(2) - Reorganized the information into a chart to improve consistency and clarity. Updated based on clearance review.
- (23) IRM 21.4.3.5(3) - For clarity moved sub paragraph f to sub paragraph b to indicate that procedures are followed after four weeks have passed. IPU 26U0206 issued 02-06-2026
- (24) IRM 21.4.3.5.2(2) box 1- For consistency updated to access TCIS to verify if the check has been indicated as previous cancellation. IPU 26U0206 issued 02-06-2026
- (25) IRM 21.4.3.5.2(2) box 4- For consistency updated to follow procedures in 21.4.3.5(1) to cancel the check. IPU 26U0206 issued 02-06-2026
- (26) IRM 21.4.3.5.2(2) box 6- For consistency updated to follow procedures in 21.4.3.5(1) to cancel the check. IPU 26U0206 issued 02-06-2026
- (27) IRM 21.4.3.5.3 - For clarity updated to include time frame in which taxpayer can expect to receive refund check. SERP Feedback 37550. IPU 26U0383 issued 04-01-2026
- (28) IRM 21.4.3.5.3(7)(d) - Removed information about taxpayer-initiated address changes through Where's My Refund? (WMR) because it is no longer applicable. Updated based on clearance review.
- (29) IRM 21.4.3.5.3(8)(e) - Updated information for interim letters and CP 564. Updated based on clearance review.
- (30) IRM 21.4.3.5.3(9) box 13 and 14 - For consistency updated the "and" column to state whether the returned refund is or is not through the fault of a government agency. SERP Feedback 32111. IPU 26U0206 issued 02-06-2026

- (31) IRM 21.4.3.5.3(9) box 10 - For consistency updated the information to include Employee Plan Accounts with a plan number (MFT 74 & 76) and Bond accounts with a report number (MFT 46) as needing a manual refund. SERP Feedback 40460. IPU 26U0607 issued 06-05-2026
- (32) IRM 21.4.3.5.3(9) - Reworded reminder to clarify the timeframe after CC CHK64 is input. Updated based on clearance review.
- (33) IRM 21.4.3.5.4(1) - For clarity changed paragraph to a step list and added time frame to provide taxpayer when returning check.
- (34) IRM 21.4.3.5.4(1) - Reorganized the information into a step list to improve consistency and clarity. Updated based on clearance review.
- (35) IRM 21.4.3.5.4(3) - For consistency updated to follow procedures in 21.4.3.5(1) to cancel the check then follow procedures in chart and to include date the cancellation process was taken as well as actions to take in Correspondence Imaging Inventory. IPU 26U0206 issued 02-06-2026
- (36) IRM 21.4.3.5.4(3) boxes 1 and 2 - Updated to include link to 21.5.3-4 Fraud Referral Claims when returned refund indicates possible fraud. Updated based on clearance review.
- (37) IRM 21.4.3.5.4(3) box 3 - Updated to direct Form 14039 to Identify theft instead of RIVO for better taxpayer case resolution. IPU 26U0515 issued 05-11-2026
- (38) IRM 21.4.3.5.4(3) box 3 - Updated to include link to 21.5.2.3.1 Adjustment Guidelines – Identity Theft Research when an open IDT1 case is found. Updated based on clearance review.
- (39) IRM 21.4.3.5.4(3) box 4- Updated to include link to 21.5.3.5.3 Undeliverable Refund Checks when RIVO External Leads indicators are present. Updated based on clearance review.
- (40) IRM 21.4.3.5.4.1(1) (c) - For consistency updated procedures for handling correspondence received which is outside the scope of Refund Inquiry. IPU 26U0206 issued 02-06-2026
- (41) IRM 21.4.3.5.5 - Revised the section to improve clarity and consistency, eliminate duplicate information, and add missing information to improve overall understanding. Updated based on clearance review.
- (42) IRM 21.4.3.5.5(1) - For consistency included that inventory is scanned to Correspondence Imaging Inventory and that Refund Inquiry employees use the Available Check Cancellation (ACC) link in the Treasury Check Information System (TCIS) to initial the cancellation of the returned refund check directly with the Bureau of the Fiscal Service (BFS). IPU 26U0206 issued 02-06-2026
- (43) IRM 21.4.3.5.5(2) - For consistency updated that BFS will returned the credit within ten business days. IPU 26U0206 issued 02-06-2026
- (44) IRM 21.4.3.5.5(3) box 2 - For consistency updated to follow procedures in 21.4.3.5(1) to cancel the check. IPU 26U0206 issued 02-06-2026
- (45) IRM 21.4.3.5.5(4) box 10 - For clarification updated to provide instruction to reassign ERC cases after check cancellation. IPU 26U0206 issued 02-06-2026
- (46) IRM 21.4.3.5.5(4) box 15 - For clarification updated to provide instruction if ALC is not 2009XXXX. IPU 26U0206 issued 02-06-2026
- (47) IRM 21.4.3.5.5(4) box 15 - For clarification updated to provide additional instruction if ALC is not 2009XXXX based on new procedures received from BFS. IPU 26U0383 issued 04-01-2026
- (48) IRM 21.4.3.5.5(4) box 16 - For clarification updated to provide instruction if ALC is not 2009XXXX. IPU 26U0206 issued 02-06-2026

- (49) IRM 21.4.3.5.5(4) box 16 - For clarification updated to provide additional instruction if ALC is not 2009XXXX based on new procedures received from BFS. IPU 26U0383 issued 04-01-2026
- (50) IRM 21.4.3.5.5(4) box 18 - For clarification added instruction for returned Recovery Rebate Credit checks. IPU 26U0206 issued 02-06-2026
- (51) IRM 21.4.3.5.5(4) box 18 - Perfected wording to say that the ASERD is unexpired or expired rather than before or after the ASERD for better understanding of when to perform the requested action. Feedback received from Accounting and Deposit Section. IPU 26U0607 issued 06-05-2026
- (52) IRM 21.4.3.5.5(4) box 19 - For clarification added instruction for returned U.S. Treasury checks from International taxpayers requesting direct deposit. IPU 26U0515 issued 05-11-2026
- (53) IRM 21.4.3.5.5(4) box 20 - For clarification added instruction for returned U.S. Treasury checks when TP claims payment that caused over payment is not theirs and correct owner of payment can or cannot be found. SERP Feedback 40055. IPU 26U0607 issued 06-05-2026
- (54) IRM 21.4.3.5.5(8) - For consistency with IRM 20.2.4.8.5.1 changed wording from IRS to a government agency. IPU 26U0206 issued 02-06-2026
- (55) IRM 21.4.3.5.5(11) (b) - For clarification updated to add direction for paper cases to be closed. SERP Feedback 35479. IPU 26U0206 issued 02-06-2026
- (56) IRM 21.4.3.5.5(11) (b) - For consistency with other programs, updated to remove the requirement to monitor the case when moving funds with Form 2424. IPU 26U0515 issued 05-11-2026
- (57) IRM 21.4.3.5.5(11) (c) - For clarification updated to add note providing direction that Form 8758 - Excess Collections File Addition should be routed to the appropriate site based on the submitting employee's location per Excess Collection - Who/Where - SERP. SERP Feedback 33335. IPU 26U0206 issued 02-06-2026
- (58) IRM 21.4.3.5.5(11) (d) - For clarity moved sub para f to sub para d to monitor your case for 45 days. IPU 26U0206 issued 02-06-2026
- (59) IRM 21.4.3.5.5(11) (d) - For clarification updated to add direction for paper cases to be closed. SERP Feedback 35479. IPU 26U0206 issued 02-06-2026
- (60) IRM 21.4.3.5.5(11) (d) - For consistency with other programs, updated to remove the requirement to monitor the case when moving funds with Form 8758. IPU 26U0515 issued 05-11-2026
- (61) IRM 21.4.3.5.5(11) (e) - Removed note about RRC credit as new procedures were established. IPU 26U0206 issued 02-06-2026
- (62) IRM 21.4.3.5.5.2.1 - Revised the section to improve clarity and consistency, eliminate duplicate information, and add missing information to improve overall understanding. Updated based on clearance review.
- (63) IRM 21.4.3.5.5.2.2 - Revised the section to improve clarity and consistency, eliminate duplicate information, and add missing information to improve overall understanding. Updated based on clearance review.
- (64) IRM 21.4.3.5.6(1) (2) - For consistency updated the time frame in which a check becomes limited payability. IPU 26U0206 issued 02-06-2026
- (65) IRM 21.4.3.5.7(2) - For consistency included that inventory is scanned to Correspondence Imaging Inventory and that Refund Inquiry employees use the Available Check Cancellation (ACC) link in the

Treasury Check Information System (TCIS) to initial the cancellation of the returned refund check directly with the Bureau of the Fiscal Service (BFS). IPU 26U0206 issued 02-06-2026

- (66) IRM 21.4.3.6 - For inclusion of missing procedures created new subsection for returning direct deposit refunds. SERP Feedback 33562. IPU 26U0206 issued 02-06-2026
- (67) IRM 21.4.3.6 - Revised the section to improve clarity and consistency, eliminate duplicate information, and add missing information to improve overall understanding. Updated based on clearance review.
- (68) IRM 21.4.3 - Editorial changes have been made throughout the IRM for clarity and to include Live Chat as a form of communication to align with IMF International Live Chat Expansion. Reviewed and updated plain language, grammar, web addresses, IRM references, and legal references. IPU 26U0515 issued 05-11-2026
- (69) IRM 21.4.3 - Artificial Intelligence (AI) tools were used to make editorial changes including plain language revisions, correcting punctuation and grammar, and adhering to IRM style format.

EFFECT ON OTHER DOCUMENTS

IRM 21.4.3, Returned Refunds/Releases, dated September 03, 2025, (effective 10-01-2025) is superseded. This IRM incorporates Interim Procedural Updates (IPU) 26U0206 (effective 02-06-2026), 26U0383 (effective 04-01-2026), 26U0515 (effective 05-11-2026), 26U0607 (effective 06-05-2026).

AUDIENCE

Employees located in all business operating divisions who have contact with taxpayers either on the phone, by correspondence, Live Chat, or personal contact.

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Taxpayer Services

21.4.3

Returned Refunds/Releases

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21.4.3.1
(10-01-2026)
Program Scope and Objectives

- (1) **Purpose:** This IRM provides instructions and procedures for all Customer Service Representatives and Taxpayer Assistance Center functions who address various returned refunds and refund releases in performance of their daily duties.
- (2) **Audience:** The primary users of this IRM are all employees in business operating divisions (BODs) who are in contact with taxpayers by telephone, Live Chat, correspondence or in person.
- (3) **Policy Owner:** The policy owner of this IRM is the director of Accounts Management.
- (4) **Program Owner:** The program owner of this IRM is Accounts Management, Policy and Procedures IMF (PPI), Individual Adjustments.
- (5) **Primary Stakeholders:** The primary stakeholders are organizations that Accounts Management collaborates with including:
 - Taxpayer Services (TS) Service Centers
 - Submission Processing (SP)
 - Customer Assistance-Relationship and Education (CARE)
 - Small Business/ Self Employed (SB/SE) Service Centers
 - Compliance
 - Return Integrity and Verification Operations (RIVO)
 - Criminal Investigation (CI)
- (6) **Program Goals:** The program goals for this type of work are:
 - Provide high-quality service to telephone and face-to-face customers
 - Achieve a high customer accuracy rate for phone calls and paper adjustments related to unpostable transactions
 - Resolve paper adjustment cases related to unpostable transactions efficiently using taxpayer-provided documentation in accordance with IRS policy and procedures
 - Continuously assess program vulnerabilities and identify opportunities for improvement
 - Communicate effectively with customers and stakeholders

The *Accounts Management Program Letter* on the AM website has more information on these goals. A copy of the Accounts Management Program Letter is also in IRM 1.4.16, Accounts Management Guide for Managers.

21.4.3.1.1
(10-01-2026)
Background

- (1) Employees in the Accounts Management (AM) organization respond to taxpayer inquiries, phone calls, and Live Chat as well as process claims and other internal adjustment request related to Returned Refunds/Releases.

21.4.3.1.2
(10-01-2026)
Authority

- (1) The authorities for this IRM are found in IRM 1.2.1.2, Policy Statements for Organization, Finance and Management Activities, and includes:
 - IRS Restructuring and Reform Act (RRA 98) Section 3705(a), enacted on July 22, 1998
 - The Protecting Americans from Tax Hikes (PATH) Act, enacted December 18, 2015
 - The Disaster Tax Relief and Airport and Airway Extension Act of 2017, enacted on September 29, 2017

- Tax Cuts and Jobs Act (TCJA) (Public Law 115-97), enacted on December 22, 2017
 - The Bipartisan Budget Act of 2018, enacted on February 9, 2018
 - The Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted on March 27, 2020
 - The Consolidated Appropriations Act, 2021, enacted on December 27, 2020
 - The American Rescue Plan Act of 2021, enacted on March 11, 2021
 - The Inflation Reduction Act of 2022 and CHIPS Act, enacted on August 16, 2022
 - Working Families Tax Cuts (WFTC), enacted on July 4, 2025
 - IRC 6201, Assessment authority
 - IRC 6204, Supplemental assessments
 - IRC 6212, Notice of deficiency
 - IRC 6402, Authority to Make Credits or Refunds
 - IRC 6601, Interest on underpayment, nonpayment, or extensions of time for payment, of tax
 - IRC 7508A, Authority to postpone certain deadlines by reason of federally declared disaster, significant fire, or terroristic or military actions
 - IRC 7801, Authority of Department of the Treasury
 - IRC 7805, Rules and Regulations
 - Policy Statement 5-2, Collecting Principles
 - Policy Statement 10-2, Privacy First: Protecting Privacy and Safeguarding Confidential Tax Information
 - Policy Statement 21-1, Service Commitment to Taxpayers Service Program
 - Policy Statement 21-2, The public impact of clarity, consistency, and impartiality in dealing with tax problems must be given high priority
 - Policy Statement 21-3, Timeliness and Quality of Taxpayer Correspondence
 - Policy Statement 21-4, One-stop service defined
 - Policy Statement 21-5, Assistance furnished to taxpayers in the correction of accounts
 - Policy Statement 21-6, Monitoring Employee Contacts with Taxpayers
 - *Murray v. U.S.*, 300 F.2d 804, 806 (1st Cir. 1962).
- (2) In addition to established IRM guidance, consider the Bureau of the Fiscal Service (BFS) regulations when issuing a check in another name. These regulations include, but are not limited to, the following:
- The BFS procedure requires documentation that is consistent with the Assignment of Claims Act, 31 USC 3727. The Act covers the payment aspect of a claim, which is the relevant aspect for purposes of the subject actions; see 31 USC. 3727(a)(2) (“assignment” includes “the authorization to receive payment for any part of the claim”). In general, the Act requires that the assignment be attested to by two witnesses and the person making the assignment shall acknowledge it before an official who may acknowledge a deed, and the official shall certify the assignment.
 - Under the BFS procedure the claimant’s financial institution evaluates the documentation.
 - The availability of the BFS alternative procedure for a claimant may be taken into account when considering how much risk IRS should undertake.

21.4.3.1.3
(10-01-2026)

Roles and Responsibilities

- (1) The Taxpayer Services Chief oversees all policy related to this IRM. This IRM is published annually.
- (2) The Accounts Management director oversees the IRM content that provides instructions to employees.
- (3) Accounts Management Policy and Procedures IMF (PPI) Individual Adjustments, oversee the content in this IRM and acts as the point of contact for all Accounts Management sites.
- (4) Managers and leads ensure compliance with the guidance and procedures in this IRM for Returned Refunds/Releases case resolution.
- (5) Employees respond to taxpayer inquiries, and resolve Refund Inquiry requests following procedures in this IRM.
- (6) The Taxpayer Bill of Rights (TBOR) summarizes existing rights in the tax code, presents them in plain language, and groups them into 10 fundamental rights. Employees must be familiar with and act in accordance with taxpayer rights.
 - IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights
 - For more information about the TBOR, see *Taxpayer Bill of Rights*
- (7) Additional information is found in IRM 1.1.13.6.3, Accounts Management, and IRM 21.1.1, Accounts Management and Compliance Services Overview.

21.4.3.1.4
(10-01-2026)

Program Management and Review

- (1) **Program Reports:** The program reports in this IRM help Accounts Management contact representatives (CRs) and tax examiners (TEs) identify applicable reports. For reports concerning quality, inventory, and aged listings, refer to IRM 1.4.16, Accounts Management Guide for Managers. Aged listings are also available through Control Data Analysis, Project PCD, on the Control-D/Web Access server which requires a login.
- (2) **Program Effectiveness:** The program effectiveness of this IRM are measured through the following:
 - National Quality Review System (NQRS)
 - Centralized Evaluative Review (CER)
 - Managerial reviews
 - Quarterly reviews conducted by Accounts Management Policy and Procedures IMF (PPI), Individual Adjustments

Reviews and analysis must evaluate whether employees use IRM guidance to perform required account actions and duties.

- (3) **Annual Review:** The processes in this IRM are reviewed annually to ensure accuracy and promote consistency in tax administration.

21.4.3.1.5
(10-01-2026)

Program Controls

- (1) The Federal Managers Financial Integrity Act (FMFIA) of 1982 requires federal agency executives to periodically review and annually report on internal control systems.
- (2) The Government Accountability Office (GAO) establishes standards for effective internal control in the federal government.
- (3) **Program Controls:** Quality data and guidelines for measurement are referenced in IRM 21.10.1, Embedded Quality (EQ) for Accounts Management,

Campus Compliance, Tax Exempt Government Entities, Return Integrity and Compliance Services (RICS) and Electronic Products and Services Support. The Embedded Quality Review Program (EQRS) is the system used by Accounts Management to review employee work quality. The quality review process monitors, measures, and improves the quality of work. Quality review data provides statistics for the Service's business results component of Balanced Measures and identifies trends, problem areas, training needs, and opportunities for improvement.

- (4) The Centralized Quality Review System (CQRS), operated by the Joint Operations Center (JOC), provides independent quality review services for multiple product lines.
- (5) Accounts Management Policy and Procedures IMF (PPI), Individual Adjustments, conducts operational quality reviews. Local quality reviews support employee development and on-the-job instruction. The Accounts Management function may also request local quality reviews for processes not subject to national quality review. Managerial reviews, prepared in EQRS, evaluate employee performance.
- (6) Quality Review data helps management measure and improve program effectiveness by identifying the following:
 - Defects resulting from site or systemic actions or inactions
 - Drivers of customer accuracy
 - Reasons for defect occurrence
 - Defect trends
 - Recommendations for corrective action
 - Training needs

21.4.3.1.6
(10-01-2026)

Terms and Acronyms

- (1) Common acronyms listed throughout this IRM:

Acronym	Definition
ACC	Available Check Cancellation
AM	Accounts Management
AMS	Accounts Management Service
BFS	Bureau of the Fiscal Service
BMF	Business Master File
CC	Command Code
CDN	Claims Disposition Notice
CEBA	Competitive Equality Banking Act
CFIF	Check Forgery Insurance Fund
CII	Correspondence Imaging Inventory
CI-SDC	Criminal Investigation-Scheme Development Center
CP	Computer Paragraph (Notice)

Acronym	Definition
CSR	Customer Service Representative
DD	Direct Deposit
DLN	Document Locator Number
E-Fax	Electronic Fax
EQ	Embedded Quality
ERC	Employee Retention Credit
FI	Financial Institution
IAT	Integrated Automation Technologies
ICCE	Integrated Customer Contact Environment
ICT	Image Control Team
IDRS	Integrated Data Retrieval System
IMF	Individual Master File
IRC	Internal Revenue Code
IRM	Internal Revenue Manual
IRS	Internal Revenue Service
ITAS	Individual Taxpayer Advisory Specialists
LP	Limited Payability
MFT	Master File Tax
NCOA	National Change of Address
NFL	National Forensics Lab
NMF	Non-Master File
POA	Power of Attorney
POC	Payment Over Cancellation
R&C	Receipt and Control
RAC	Refund Anticipation Check
RAL	Refund Anticipation Loan
RFC	Regional Finance Center
RI	Refund Inquiry
RICS	Return Integrity and Compliance Services
RIVO	Return Integrity and Verification Operations
RTN	Routing Transit Number
SERP	Servicewide Electronic Research Program
SS	Secret Service

Acronym	Definition
TAC	Taxpayer Assistance Center
TAS	Taxpayer Advocate Service
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TCIS	Treasury Check Information System
TOP	Treasury Offset Program
TS	Taxpayer Services
WMR	Where's My Refund

21.4.3.1.7
(10-01-2026)

Related Resources

- (1) Refer to IRM 1.4.2.1.8, Related Resources, for information on related resources that impact internal controls.
- (2) Below are additional websites, job aids, or electronic tools that are required to assist in completing work in Accounts Management (AM) (list is not all inclusive):
 - Account Management Services (AMS) is a web-based system that emphasizes the sharing of key business data and provides a consolidated and synchronized view of taxpayer data and contact information from various IRS systems
 - *CCJA - IDRS Command Code Job Aid*
 - Correspondence Imaging Inventory (CII) may be used for scanning all AM adjustment receipts and correspondence into digital images for case work resolution
 - *Correspondex Letters*
 - *Document 6209 (IRS Processing Codes and Information)*
 - *Electronic Publishing* website may be used to research forms, instructions, publications, and other Internal Revenue Manuals, revenue procedures and IRS announcements
 - *Employee User Portal (EUP)* is used to view corporate and individual electronic tax returns filed via MeF
 - *Integrated Automation Technologies (IAT) Tool Instructions* are tools used to simplify taxpayer account processing by assisting the user with IDRS research and input
 - *Servicewide Electronic Research Program (SERP)* is utilized to find SERP Alerts, IPU's, Correspondex Letters, IRM Supplements and other information
 - *Technical Communication Documents (TCD)*
 - Bureau of the Fiscal Service - Treasury Check Information System
- (3) The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service (IRS), led by the National Taxpayer Advocate, that helps taxpayers and protects taxpayer rights. TAS offers free help to taxpayers when a tax problem is causing a financial difficulty, when they've tried and been unable to resolve their issue with the IRS, or when they believe an IRS system, process, or procedure just isn't working as it should. TAS strives to ensure that every taxpayer is treated fairly and knows and under-

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

21.4.3.2 (02-06-2026) Returned Refunds/Releases Overview

- (1) Always adhere to the time frame listed in IRM 3.30.123, Processing Timeliness: Cycles, Criteria, and Critical Dates, to ensure all time frames are met when resolving cases. The following time frames are listed within that specific Internal Revenue Manual (IRM).
 - IRM 3.30.123.13.2, Undelivered and Limited Payability Refund Checks
 - IRM 3.30.123.13.3, Deleted/Returned Refund Checks and Recertification Credits
 - IRM 3.30.123.13.4, Non-receipt, Lost, Stolen, or Destroyed Refunds
 - IRM 3.30.123.20.4, Taxpayer Initiated Refund Inquiries
- (2) Refund checks issued to taxpayers may be returned to the IRS or Regional Financial Center (RFC) for many reasons. This section of the IRM provides information and instructions for processing returned refund checks.

Caution: Before discussing any tax information, you must be sure you are speaking with the taxpayer or authorized representative. See IRM 21.1.3.2, General Disclosure Guidelines. Before leaving any message on a taxpayer's answering machine, review IRM 10.5.1.6.7.2, Answering Machine or Voicemail. Fax procedures contained in IRM 10.5.1.6.9.4, Faxing, must be reviewed prior to faxing confidential information to the taxpayer.

- (3) In addition to account research on the Integrated Data Retrieval System (IDRS), review Account Management Service (AMS) and Correspondence Imaging Inventory (CII) for prior taxpayer contact.

21.4.3.3 (02-06-2026) Returned Refund/Refund Release Explained

- (1) Refund checks are returned for several reasons. Some of the most common are:
 - Incorrect address, U. S. Postal Service was unable to deliver check.
 - The taxpayer is not entitled to a refund.
 - The credit that created the refund belongs on another module.
 - The check is issued in the wrong name.
 - The check cannot be negotiated (joint/deceased taxpayer).
 - The check is expired and cannot be cashed (older than 12 months).
- (2) The Receipt and Control (R&C) function within a Campus receives the returned refund checks and directs them to the Image Control Team (ICT) Unit for scanning to Correspondence Imaging Inventory (CII).
- (3) Returned refund checks must be stamped or written "non-negotiable" on the front of the check, **or** have the word "void" stamped or written on the front or back of the check. At the time of receipt, the employee should stamp "void" on the returned check.
- (4) Refund checks returned to a Taxpayer Assistance Center (TAC) must be forwarded to the IRS campus RI Unit associated to the taxpayer's state of residency. Individual Master File (IMF) returned checks will be worked at IMF campuses and Business Master File (BMF) will be worked at BMF campuses.

For fax numbers and addresses, see *Refund Inquiry Unit Addresses*, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab. Follow the procedures in the table in IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks).

21.4.3.4
(02-06-2026)
**Returned Checks
Research**

- (1) Returned refund checks must be worked by campuses in the proper Business Operating Division (BOD). Individual Master File (IMF) returned checks will be worked at IMF campuses and BMF will be worked at BMF campuses. Reassign misrouted cases to the proper campus.

Note: If a case involves both IMF and BMF returned checks, the receiving campus must coordinate case actions with the proper Refund Inquiry team.

- (2) Taxpayer identification numbers (TINs) are no longer printed on refund checks. If a refund check is received without a TIN, research command code (CC) IMFOLC or CC BMFOLC using the check number and symbol located on the check in the upper right-hand corner. CC IMFOLC and CC BMFOLC will search for the matching tax module and return the correct CC IMFOLT or CC BMFOLT screen. Since CC IMFOL and CC BMFOL will only try to access the valid TIN, be sure to compare the check with the tax module to ensure you have the correct module. See IRM 2.3.51, Command Code IMFOL, for complete command code instructions.

Note: For more information on refund check origin, review Exhibit 3.17.79-4, Refund Schedule Number Format.

21.4.3.5
(10-01-2026)
**Acknowledgment of
Returned Check**

- (1) Upon receipt of a returned refund check, ICT scans the check to either the IMF Returned Refund or BMF Returned Refund inventory using Category 3913, with priority code 1 and OFP- 710-01090. Refund Inquiry (RI) will take the following actions to initiate the Available Check Cancellation (ACC) upon receipt of the inventory:

Step	Action	Then
1	Review the check and confirm the ALC begins with 2009XXXX, (located at the top of the check next to the date), which indicates the refund check was issued by the IRS	If the ALC is 2009XXXX, then follow procedures listed in step 3 below. If the ALC is not 2009XXXX, follow procedures in IRM 21.4.3.5.5(4), Resolving Returned Refunds (Unexpired Checks).

Step	Action	Then
2	Review case for a completed Form 3913, Acknowledgement of Returned Refund Check.	1. If the Form 3913 is not found, send Letter 4427C, Acknowledgement of Returned Refund Check. Exception: When there is potential refund fraud involved do not send any letters, RIVO will respond to the taxpayer when the refund issue is resolved. Cases which include Form 3913 do not require Letter 4427C (as the Form 3913 will serve as an acknowledgement letter). 2. Capture the request complete screen in the CII case. 3. Follow procedures listed in step 3 below. Reminder: If no acknowledgement letter has been issued to the taxpayer, follow procedures in IRM 21.3.3.3.4, Quality and Timely Response, and issue a final response to the taxpayer, prior to closing the case control.
3	Access the Treasury Check Information System (TCIS)	Take the following actions: 1. From Integrated View Check Query tab, enter check symbol and serial numbers, then click submit. 2. Navigate to the Payment Details tab and ensure the check status is "Issue Outstanding" then continue to the "Initiate ACC" link at the bottom of the screen. 3. Click the "Initiate ACC" link to display the confirmation screen. 4. To proceed with initiating the ACC, click the button labeled "Confirm". A message is displayed indicating the ACC will be initiated the following day. Note: If you do not wish to proceed with initiating an ACC, click the button labeled "Return to Payment Details". 5. Use the print to PDF function to print the confirmation screen from TCIS and secure the ACC confirmation to your case.
4	Leave CII case note, "Returned Refund check (insert check ##) has been cancelled through the Treasury Check Information System"	Continue to paragraph 2 box 1

(2) After using TCIS to complete the ACC:

Row	If	Then
1	Account requires further action (e.g., a manual refund will be required, a credit transfer is requested, or an account adjustment will be made)	1. Input TC 570 (using the IAT "REQ77" tool), to hold credit when returned. 2. Place the CII case in monitor status for 10 days and wait for the credit to be returned.
2	Credit is not posted in 10 days	1. Update case message with account status. 2. Continue to monitor for up to 21 days.
3	After 21 days the funds have not posted	1. Elevate the case to your local Planning and Analysis liaison through your work leader and request the information be forwarded to BFS for case investigation. 2. Update case message with actions taken. 3. Continue to monitor for up to 45 days for response to be received.
4	TC 841 has posted	1. Update the CII category code to 841P. 2. Continue processing following guidance in IRM 21.4.3.5.5 (4), Resolving Returned Refunds (Unexpired Checks).
5	TC 841 has posted and the case shows the returned refund check attached to Form 941-X, Form 943-X, Form 944-X or Form CT1-X indicating Withdrawn on the left margin of the first page (or correspondence relating to or referencing Employee Retention Credit (ERC))	After completing the ACC in TCIS reassign the case in CII as follows: Doc Type: Correspondence, use Priority Code 2, category 941X, 943X, 944X or CT1X as appropriate and assigned to IDRS number 0430406002 .

- (3) For paper checks currently in Refund Inquiry, which have not been scanned to CII:

Route the original correspondence and check to Image Control Team (ICT) to be scanned into CII. If no correspondence has been received send the check to be scanned as a CII case. Use either Form 3210, Document Transmittal or Form 13503, Image Control Team Batch Cover Sheet to scan as Work Type: IMF or BMF (as needed), Doc Type: Returned Refund, Category: 3913, Program: 01090.

- (4) When answering taxpayer's calls about previously returned refund checks:

- Determine the date the taxpayer mailed the refund check back to the IRS.
- If at least four weeks have not passed since the taxpayer mailed the check to the IRS, advise the taxpayer to call back when four weeks have passed.
- If an open control has been identified, advise the taxpayers to allow 60 days from the control date for the returned check to be processed.
- If at least 4 weeks have passed since the taxpayer mailed the check and no open control is found, send a referral Form 4442/e-4442 to the

Refund Inquiry Team where the taxpayer returned the check. Select Referral Type **IRM** with Category - Other Write-In. For Write-In description, use IRM 21.4.3.5 - Acknowledgment of Returned Check, and for Reason, select Other or Complex Issue/Training Specialization. Send to the Refund Inquiry Unit at the campus where the taxpayer says they mailed the check.

- e. Provide the following information on the referral: the date on which the check was returned to the IRS, the check amount, the 4-digit check symbol number and 8-digit check serial number; this information can be found on CC IMFOL# or CC IMFOLC for IMF accounts and on CC BMFOL# or CC BMFOLC for BMF accounts. Include in your referral the taxpayer's intention for the funds (e.g., apply funds as credit elect to following year, or an account adjustment will be made). Indicate on the referral that a refund trace should be input using a **non-receipt code H** on CC CHKCL.

21.4.3.5.1
(10-03-2022)
**Checks Returned to
Regional Financial
Center (RFC) by the
Taxpayer or U.S. Postal
Service**

- (1) Sometimes taxpayers return refund checks directly to the RFC instead of sending them to the campus.
- (2) If the check has not expired, the Accounting Function receives SF 1098, Schedule of Cancelled Checks, from the RFC. The Accounting Function may forward the list to the Refund Inquiry (RI) Unit at their campus for notification purposes. If received in RI, the list may be kept in the unit files or destroyed as classified waste.
- (3) Correspondence received from the taxpayer will be sent with the SF 1098 list. See paragraph 9 below for instructions.
- (4) Undelivered checks are identified on the SF 1098 list as "Code 2". Checks returned to RFC by the taxpayer are identified as "Code 3".

Note: The credit for "Code 2" and "Code 3" cases will post in approximately two to three weeks from the date the check was received by the RFC. In many instances, the credit is usually posted by the time the case is received.

- (5) Transaction code (TC) 841, blocking series and serial number "99999", on the module, identifies checks returned by the taxpayer.

Exception: Some Economic Impact Payments were returned systemically, not by the taxpayer (i.e., conditions in SERP Alerts 20A0278, 20A0259 and 20A0392).

Below are some examples of instances when a taxpayer will return a check and steps that should be taken:

If taxpayer returns check	Then
Without cashing the check	Make the proper adjustment to the account if necessary, and issue correct refund.
Requesting the refund be applied to a different module, and the refund was not the result of a misapplied payment, was not due to IRS error or credit elect was not indicated on the return	Apply the refund to the module indicated. See IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), for procedures on applying the refund.

If taxpayer returns check	Then
Because check is “non-negotiable”, through no fault of the IRS.	Reissue refund with no additional interest.

- (6) TC 740, blocking series and serial number “99999”, identifies checks returned by the U.S. Postal Service.
- (7) When the RFC receives a refund check for cancellation, they send the following to the RI function:
 - Correspondence from the taxpayer
 - Envelopes from the postal service
- (8) The RFC or U. S. Postal Service will annotate on correspondence:
 - Check and symbol number
 - Taxpayer is deceased (if applicable)
 - Taxpayer moved and left no forwarding address
- (9) The RI function will:
 - a. Control case on IDRS.
 - b. Acknowledge the correspondence, send Letter 4427C, Acknowledgment of Returned Refund Check, if the taxpayer returned the check.
 - c. Resolve P- or S- freeze condition.
 - d. Input CC STAUP or TC 470 on balance-due modules if TC 841 or TC 740 has not posted back to the account.

Note: See IRM 21.4.3.5.3, Undeliverable Refund Checks, and IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), for further guidance.

21.4.3.5.2
(02-06-2026)

Recertified or Original Returned Refund Checks

- (1) A recertified check is any check reissued to the taxpayer to replace an original check. If a check was cancelled, the account will show a credit for the refund, TC 841 or TC 740. A refund may be cancelled for any of the following reasons:
 - Undelivered refund - See IRM 21.4.3.5.3, Undeliverable Refund Checks
 - Limited Payability - See IRM 21.4.2.4.7, Limited Payability (LP) Rules
 - Result of a refund claim (CC CHKCL) - See Exhibit 21.4.2-1, Command Code (CC) “CHKCL” Input
 - Refund intercept (CC NOREF) - See IRM 21.4.1.5.10, Refund Intercept Command Code NOREF with Definer “P”
 - Refund returned by the taxpayer - See IRM 21.4.3.5.4, Returned Refund Check Procedures, IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), and sub-sections, and IRM 21.4.3.5.6, Resolving Returned Expired Refunds Limited Payability, and sub-sections

Note: When a refund check is cancelled, there is no “stop payment” placed on the check. The original check appears negotiable and is often cashed. If a check is cashed after being cancelled, a debit TC 843, Payment Over Cancellation (POC), will post to the account. POCs are handled by the Accounting Function. If correspondence is received about a POC, take no action on the account, route the inquiry to the Accounting function with the open control, or originating site based on RSN, for resolution. To determine the appropriate

campus for routing see IRM 21.4.2.4.14 (2), Account 6565 Processing for Refund Inquiry Function. Notate CII case note with actions taken and close CII case. Accounting will address the taxpayer's correspondence as needed. If contacted by phone, refer to IRM 21.3.5.4.1, When to Prepare a Referral, include taxpayer contact information and any details that the taxpayer gives which may help resolve the case.

- (2) When the taxpayer returns **either the original, recertified, or both checks**, use the following procedures:

Row	If the check is	And it	Then
1	The original check	Has not expired	1. Access the Treasury Check Information System (TCIS) to verify the check has been indicated as a "Previous Cancellation". 2. Send Letter 4427C, Acknowledgment of Returned Refund Check, to the taxpayer. 3. Add a CII case note documenting previous cancellation and close CII case. Note: No TC 841 will post due to prior cancellation.
2	The original check	Has expired	1. Send Letter 4427C to taxpayer. Note: Do not return the check to Philadelphia RFC. 2. Add a CII case note documenting check expired and close CII case. Note: No TC 740 will post due to prior cancellation. 3. Destroy the check.
3	The original check	Previous CC CHKCL initiated	1. Add a CII case note documenting replacement issued and close CII case.
4	The recertified check	Has not expired, nor has the taxpayer cashed the original refund check	1. Follow procedures in IRM 21.4.3.5 (1), Acknowledgment of Returned Check to begin the cancellation process. 2. Send taxpayer Letter 4427C. 3. Monitor until TC 841 posts. 4. Follow the instructions provided in taxpayer's correspondence and advise the taxpayer of the action taken, if applicable. 5. If control base does not update within 45 days to "841P" take follow-up action to locate and apply the credit correctly.
5	The recertified check	Has expired, but the taxpayer has not cashed the original refund check	1. Send Letter 4427C to the taxpayer and follow expired return refund check procedures. See IRM 21.4.3.5.6, Resolving Returned Expired Refunds Limited Payability.

Row	If the check is	And it	Then
6	The recertified check	Has not expired and taxpayer has cashed the original refund check	1. Follow procedures in IRM 21.4.3.5 (1), Acknowledgment of Returned Check to begin the cancellation process. 2. Add a CII case note documenting cashed original check. 3. Monitor for TC 841. 4. Input TC 290 .00, Hold Code 2 to set a -K freeze and hold the credit. (TC 843, POC, will post from Bureau of the Fiscal Service). 5. Close the CII case.

21.4.3.5.3
(10-01-2026)
Undeliverable Refund Checks

- (1) If the U.S. Postal Service cannot deliver the refund check to the taxpayer's address they will return the check to the Bureau of the Fiscal Service (BFS) Regional Finance Center (RFC).
- (2) The RFC cancels the undelivered refund checks weekly and transmits the undeliverable refund checks to Martinsburg Computer Center (MCC) for posting of TC 740 to credit the correct taxpayer's account. If a Treasury Offset Program (TOP) offset was made on the original refund, TOP will generate a TC 899 code 1 to reverse it.
- (3) Review the module for conditions that could determine allowable credit interest (e.g., identity theft (IDT), etc.) and take the proper action, including a manual computation of interest if necessary, before releasing the refund.
- (4) An **S-** freeze occurs when:
 - a. An undelivered refund check less than one year old is returned by the postal service (TC 740 Blocking Series 99999) and the address has not been updated since the refund was issued.

Note: Refund checks not cashed within 12 months of issue date are considered expired checks and are identified by a TC 740 Blocking Series 66666. See IRM 21.4.3.5.6, Resolving Returned Expired Refunds Limited Payability.

Note: The IRS will update the taxpayer's address of record per the procedures in Rev. Proc. 2010-16 which includes clear and concise written notification. Taxpayers may notify the IRS of an address change using various methods (e.g., Form 8822, Change of Address; Form 8822-B, Change of Address or Responsible Party - Business; Form 3911, Taxpayer Statement Regarding Refund; correspondence described in section 5.04(1)(a) of the revenue procedure, etc.). Taxpayers can also request an address change via oral statement, see IRM 21.1.3.20.1, IMF and BMF Oral Statement Address Changes.

Exception: A request made by a POA does not fall under Revenue Procedure 2010-16 and does not qualify for an address change update under Oral Statement Authority. Advise the caller to file Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party - Business, as appropriate.

Caution: Refunds cannot be systemically issued to a temporary address. If the address provided is a temporary address, a hardship manual refund is required, see IRM 21.4.4.3, Why Would a Manual Refund Be Needed?.

- b. A return is filed without an address and a “Campus Address” is assigned. For campus address cases, see IRM 21.4.1.4.5, Return Processed but No Address on File.
 - c. Responses to CP 231, Undelivered Refund Check Returned to Us, and Letter 533C, Refund Check Undelivered or Not Negotiated, received in Refund Inquiry must be assigned using category code “UDRF”.
- (5) For SCADDRESS transcripts received in Refund Inquiry (RI), take the following actions for case resolution:
- a. Research CC IRPTRL for taxpayer address
 - b. Send Letter 533C, to the CC IRPTRL address(es) requesting the taxpayer furnish their current address
 - c. Close CII case
 - d. Take proper action on Letter 533C replies
 - e. For transcripts that involve Identity Theft (IDT) or Return Integrity and Verification Operations (RIVO), see IRM 21.2.4.3.18, Return Integrity and Verification Operations (RIVO) and Criminal Investigation (CI), Transcript Issues, and IRM 21.2.4.3.19, Transcripts with Identity Theft (IDT) Involvement
- (6) Do NOT input a CC CHK64 under the following conditions (reissue refund as a manual refund):
- a. Original refund was a TC 840, and circumstances still exist where the taxpayer requires a manual refund. See IRM 21.4.4.3, Why Would a Manual Refund Be Needed?
 - b. Original refund was a TC 846 with a Bypass Indicator (Injured Spouse).
 - c. Deceased taxpayer and no CCC L or W on CC TXMOD or CC RTVUE for applicable period. See IRM 21.6.6.2.21, Decedent Accounts, for more information on decedent account refunds.
 - d. Form 8038-CP, Return for Credit Payments to Issuers of Qualified Bonds (MFT 46, Doc Code 88) - Any address correction in response to a CP 231, Undelivered Refund Check, should not be updated on master file.

Note: See IRM 21.7.7.7.4.5.4, Form 8038-CP Manual Refund Guidelines, for more information about manual refunds.

- (7) Any of the following will release an **S-** freeze.

- a. The filing of a subsequent return (TC 150)
- b. CC CHK64 to generate a TC 018 on CC ENMOD

Note: Reissue Refund (CHK64) Tool is available as an IAT tool and is mandatory unless a manual refund must be issued.

- c. Systemic module update with TC 013 Business Master File (BMF) or TC 014 Individual Master File (IMF) updating from the Postal Service National Change of Address (NCOA) database.

Exception: Systemic releases will not occur if a name change has occurred since the return was filed. The NCOA and IRS records must match exactly. See IRM 3.13.5.42, Determining National Change of Address (NCOA) Address Changes.

- d. Input of TC 014 on IMF and TC 013 or TC 014 on BMF after posting of the TC 740

Reminder: Refund will not release if the TC 846 and TC 740 are for different amounts.

- e. Module balance becomes zero or debit

- (8) Customer service representatives (CSRs), tax examiners (TEs) and RI Unit Examiners will input CC CHK64 (TC 018) to change the address.

Note: Perfections to the name line which do not significantly alter the basic character of the entity, such as correction of typographical errors or omissions in name can also be input to ensure the name line is correct.

Note: Taxpayer should receive a CP 564, Refund Check Not Delivered - New Check To Be Issued, when applicable. Therefore, do not use CC INCHG or CC BNCHG to update the address, use CC CHK64. For trustee changes, refer to IRM 21.7.1.4.9, Fiduciary Name/Address Change.

Caution: When using the second name line on CC CHK64 for a foreign address, you must use the current year in the tax year field regardless of the tax year for which the refund is being issued. For example, if the claim is for tax year 2024, and it is made after January 1, 2025, you must use 2025 in the tax year field. If this same claim is received after January 1, 2026, you must use 2026 in the tax year field.

Note: Do not correspond for a current address on undeliverable refunds, unless specifically instructed to in the IRM.

- a. CC TXMOD must precede CC CHK64. (It cannot be input on a dummy module.)

Reminder: An expired RSED does not affect a refund reissuance, the refund was timely claimed and issued.

- b. If there are multiple **S-** freezes, CC CHK64 input on any account with an **S-** freeze will release all **S-** freezes.
- c. Request must be from an authorized person. On a joint return, this would be either spouse (both signatures are required to negotiate the check). When updating our records through oral statement, advise the taxpayer to change their address at their local post office.

Note: If the secondary taxpayer on a joint account requests an address change, determine if the change applies to the joint account or only the spouse. If the change applies only to the secondary taxpayer, make no change to the primary taxpayer's address. Advise the requestor the primary taxpayer must contact us or submit a Form 8822, Change of Address. IRM 21.4.2.4, Refund Trace Actions, provides guidance for an acceptable oral statement.

Exception: A request made by a POA does not fall under Revenue Procedure 2010-16 and will not qualify for an address change update under Oral Statement Authority. Advise the caller to file Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party - Business, as appropriate. The Entity Unit will review and determine if the address change is legitimate under their paper processing function. If a POA is not requesting an address change then allow the request for refund re-issuance.

- d. CC CHK64 can be input based on an oral statement or written correspondence from the taxpayer received via Correspondence Imaging Inventory (CII).
- e. When closing a case on CII for which an interim letter has been generated, if the CP 564 is issued, a separate closing letter is not necessary. If the account requires the CP 564 to be stopped (e.g., because of an offset) then, a closing letter is required.

Note: The CP 564 can be stopped by overlaying the notice indicator on the CC CHK64 screen with an **N**. See IRM 25.25.12.9, Limited Direct Deposit Refund Procedures.

Note: If a CP 53 series notice was issued for the tax period in question, see IRM 21.4.1.4, Refund Inquiry Response Procedures, for more information.

(9) Use the chart below to release an **S-** freeze:

Reminder: After CC CHK64 is input a refund check will be reissued in about 4 weeks; however, after reissuance, it could take up to 4 additional weeks (9 weeks if it is a foreign address) for receipt. Advise the taxpayer to allow up to 8 weeks (13 weeks for a foreign address) for receipt of the refund.

Note: More information about allowable interest calculations can be found in IRM 20.2.4.8.5.1, Undeliverable Refund Checks.

Row	If	And	Then
1	An unauthorized person requests the release	no content	Advise the unauthorized person that the refund release request must come from the taxpayer or the taxpayer's authorized representative. Do not disclose any information.
2	An authorized person requests the release	The refund is a TC 846 and was returned undeliverable	1. Verify the address. 2. Input CC CHK64. 3. Advise the requestor to allow up to 4 weeks for a refund check to be reissued. Once released allow up to 4 weeks for receipt (9 weeks if foreign address is used).
3	An authorized person requests the release	The refund is a TC 840 (manual refund) and returned undeliverable	Determine if the refund must be re-input as a manual refund. If a manual refund is not necessary, input CC CHK64.
4	An authorized person requests the release	Pending TC 018 or TC 014 on CC ENMOD	1. Verify the address. 2. Advise the requestor to allow up to 4 weeks for a refund check to be reissued. Once released allow up to 4 weeks for receipt (9 weeks if foreign address is used).
5	An authorized person requests the release	Pending TC 018 or TC 014 is on CC ENMOD, address is incorrect	1. Input CC NOREFP to stop the refund. 2. Update the address by using CC ENREQ, INCHG. 3. Advise the requestor to allow up to 8 weeks for a refund check to be reissued. Once released allow up to 4 weeks for receipt (9 weeks if foreign address is used). 4. Release the P- freeze when the TC 841 posts.
6	An authorized person requests the release	• S- freeze after CC CHKCL action • No open control • No Pending TC 018 or TC 014	1. Verify the address. 2. Input CC CHK64. 3. Advise the requestor to allow up to 4 weeks for a refund check to be reissued. Once released allow up to 4 weeks for receipt (9 weeks if foreign address is used).
7	An authorized person requests the release	S- freeze after the CC CHKCL action and has an open control	RI will contact area with open control for release of the refund. CSRs will forward Form 4442/e-4442 with the new address, to the area with an open control. Advise the taxpayer they will hear from the IRS in approximately 30 days.

Row	If	And	Then
8	An authorized person requests the release	- Multiple freeze conditions No open control	Follow the instructions for each freeze condition. See IRM 21.5.6, Freeze Codes.
9	An authorized person requests the release	- Multiple freeze conditions Open control	Contact the employee/area with the control and coordinate the resolution of the conditions. See IRM 21.5.6, Freeze Codes. CSRs will forward Form 4442/e-4442 with the new address, to the area with an open control. Advise the taxpayer they will hear from the IRS in approximately 30 days.
10	Undelivered Refund Check on BMF CP 231 for: - Exempt Organization sub-module - Employee Plan Accounts with a plan number (MFT 74 & 76) - Bond accounts with a report number (MFT 46) ,	no content	CC CHK64 will unpost, a manual refund is required. Note: For trustee changes, refer to IRM 21.7.1.4.9, Fiduciary Name/Address Change.
11	Invalid TIN shown on CC ENMOD or CC TXMOD	no content	Research invalid condition and input CC CHK64, to release S- freeze, if appropriate.
12	If CC ENMOD shows an incorrect/incomplete address	no content	Input CC CHK64 with correct address.
13	45-day interest-free period is in jeopardy. Interest free period expires 06/01 on IMF refund returns filed by 04/15	Delay is through the fault of a government agency	- Allow interest. Overlay interest indicator“ N” on CC CHK64 with “Y.”
14	45-day interest-free period is in jeopardy. Interest free period expires 06/01 on IMF refund returns filed by 04/15	Delay is not through the fault of a government agency	Do not allow interest. Note: Leave the interest indicator as N on CC CHK64.

(10) More research may be required to determine the type of refund to send to the taxpayer. If there appears to be a need for further research on the account,

take the proper action. This may include contacting other IRS functions or more communication with the taxpayer, see Letter 533C, Refund Check Undelivered or Not Negotiated.

- (11) If additional research or contact with the taxpayer results in moving the overpayment to a different tax module, follow the guidance in IRM 21.4.3.5.5 (5), Resolving Returned Refunds (Unexpired Checks).
- (12) Take the proper action on Computer Paragraph (CP) replies.

21.4.3.5.3.1
(07-27-2020)
Undelivered Refund Notices

- (1) Letter 533C, Refund Check Undelivered or Not Negotiated, or CP 231, Undelivered Refund Check, informs the taxpayer a refund check was returned undelivered and requests a correct address. These notices will no longer be reviewed before mail out. If these notices are received in RI, route them to machine services for immediate mail out.
- (2) Destroy all undelivered CP 231 notices, Letter 533C and envelopes that have a new address provided by the U. S. Postal Service or the current resident at the mailing address, as classified waste without further action.

Note: On July 2011, a “2-D Bar Code” pilot program involving various CP notices was implemented. Some of the notices still display the entire SSN while others have the SSN redacted/masked (e.g., XXX-XX-1234). To identify the account, a “handheld” bar code scanner must be used to read the taxpayer account information. If the scanner cannot read the bar code, CC TPIIP must be used. For more information on CC TPIIP, refer to the *IDRS Command Code Job Aid* located on SERP under IRM Supplements.

21.4.3.5.3.2
(07-21-2015)
Local Undelivered Refund Check Listing (URCL)

- (1) The Undelivered Refund Check List (URCL) is no longer provided for publication. However, a news release is issued each year to inform the public that there are refunds that have gone undelivered and could be available to the appropriate taxpayer. The news release advises the taxpayer to access Where’s My Refund or call the refund hot line if they believe their refund check may have gone undelivered.

21.4.3.5.4
(10-01-2026)
Returned Refund Check Procedures

- (1) If the taxpayer calls or sends in a request on how to return their refund check, the customer service representative (CSR) or tax examiner at the IRS Campus Refund Inquiry (RI) Unit, will take the following actions:
 1. Confirm the refund check was issued by the IRS. Refer to Exhibit 3.8.44-7, Agency Location Codes (ALC), to confirm the ALC is on the list. If the ALC (begins with 2009XXXX) located at the top of the check next to the date is on the listing.

Note: If the ALC is not on the list, tell the taxpayer the check was not issued by the IRS, but by another federal agency.
 2. Tell the taxpayer to write **void** in the endorsement area on the back of the check, and not to write on the front of the check.
 3. Tell the taxpayer to mail the check with a letter of explanation to the IRS campus RI Unit associated to the taxpayer’s state of residency. See the *Refund Inquiry Unit Addresses* link for the correct address. If the check is a Refund Anticipation Loan (RAL) or a Refund Anticipation Check (RAC), tell the taxpayer to send the check along with an explanation of why they are returning it, to the IRS campus RI Unit associated to

the taxpayer's state of residency. See IRM 21.4.1.5.7.2, Direct Deposit Refund Advance Product (RAL/RAC), for guidance to determine if a refund is a RAL/RAC.

4. Advise the taxpayer to allow ten days for mailing time, then up to 45 days for the credit to be returned to the account.
 5. Enter a narrative in AMS with instructions given to the taxpayer.
- (2) Returned refund checks, whether being sent to a Refund Inquiry team from within the campus, or from outside the campus, must follow the procedures in IRM 3.8.47.4.4, Secure and Process a Returned Refund Check, for documentation and packaging to ensure the security of the check.

Note: Managers should refer to IRM 1.4.16.5 (6-7), Monitoring and Reviews, for Form 3210 Managerial Review requirements.

- (3) When there is potential refund fraud or ID theft involved, Refund Inquiry should take the following actions. (In most instances, these checks have already been routed by Submission Processing.)

Reminder: Refund checks returned to a Taxpayer Assistance Center (TAC) must be forwarded to the IRS campus Refund Inquiry Unit associated to the taxpayer's state of residency. For fax numbers and addresses, see *Refund Inquiry Unit Addresses*, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab. Follow the procedures in the table in IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks).

- a. Follow procedures in IRM 21.4.3.5 (1), Acknowledgment of Returned Check, to complete the check cancellation process only. **Do not** send any letters, RIVO will respond to the taxpayer when the refund issue is resolved.
- b. Once the TC 841 has posted to the account, follow procedures in the chart below:

Row	If	Then
1	Treasury IRS refund checks are returned as undeliverable, and ID theft is not indicated, but you identify that there is the same address (different names) on multiple checks indicating possible fraud	Follow procedures in Exhibit 21.5.3-4, Fraud Referral Claims
2	Treasury check(s) is returned, and ID theft is not indicated, but appears to be fraud related (e.g., Multiple checks with different names have been mailed to the same address . Explanation is something like, "I don't know these people, but these checks were mailed to my house.")	Follow procedures in Exhibit 21.5.3-4, Fraud Referral Claims

Row	If	Then
3	Treasury check(s) is returned, and Form 14039, Identity Theft Affidavit or a note is attached indicating ID theft (e.g., "I got this refund check made payable to me, but I have not even filed my tax return this year. I don't know why I got this check.")	- Reassign the CII case to the temporary holding number for Identity Theft Domestic, ID Theft IDT1. Exception: If there is already an IDT1 case then refer to IRM 21.5.2.3.1, Adjustment Guidelines – Identity Theft Research. - Update IMF Program: Identity Theft Domestic, Doc Type: ID Theft IDT1, Category Code: IDT1 - For reassignment number, see <i>Accounts Management Site Specialization Temporary Holding Numbers</i>, located on SERP under the Who/Where tab.
4	Treasury check(s) is returned undeliverable, OR not belonging to the person named on the check, AND there is evidence of previous RIVO External Leads review. i.e., TC 841 DLN blocking series/serial number 77711, 77712, or 77713 and issuance of a CP 53A, CP 53B or CP 53C notice	Follow procedures in IRM 21.4.3.5.3, Undeliverable Refund Checks. Once the refund is released, RIVO External Leads does not require additional information.
5	A third-party check (non-Treasury checks including RAL/RAC checks) is received outside of Receipt and Control or Campus Support	Process it back to the proper function per IRM 3.8.46.1, Discovered Remittances (for Receipt and Control), or IRM 21.1.7.9.20, Discovered Remittance (for Campus Support).

- c. If not already on the account, input TC 971 AC 522 and the proper IDT tracking code. See IRM 25.23.2.4.4, Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators, for codes and more information.
- d. Close your CII case (unless reassigning as directed above). Take no further action.
- e. If you receive items (including debit cards) from different sources, for example U.S. Postal Service, a law enforcement agency, etc., sort the items and mail to:
Internal Revenue Service
Attn: RIVO External Leads Manager
333 W Pershing Rd. Stop #7777
Kansas City, MO 64108

Exception: For returned Economic Impact Payment pre-paid debit cards, follow instructions in IRM 3.8.45.19.1 (4), Repayment of Economic Impact Payments (EIP).

21.4.3.5.4.1
(02-06-2026)

**Returned Refund Check
with Taxpayer
Correspondence**

- (1) There are times when the taxpayer will attach correspondence with the returned refund check because the credit/payment that was refunded was intended to be applied to another tax period.
 - a. Review the taxpayer correspondence and account on AMS and IDRS for the tax period(s) referred to in the taxpayer's correspondence.
 - b. If the balance due tax period is located, transfer the credit, see IRM 21.5.8.4, IDRS Guidelines for Credit Transfers and input the necessary STAUP, see IRM 21.5.2.4.8, Notice Suppression.

Note: For more information about situations which will not allow credits to offset to a BMF balance due module, please review IRM 21.7.1.4.6, BMF Offset Program.

- c. Continue to process the returned refund check as usual.

If there is any correspondence, unrelated to the returned refund check, that is not within your scope, send the case to your work leader for referral to the ICM to have the case reassigned to a team that can work the specific inventory.

Note: CII case notes must be updated to explain the actions taken to address the returned refund check.

Note: If Spanish language correspondence is received, issue a reply using the Spanish version of the appropriate C-Letter if one is available. Reassign the case to the Refund Inquiry Site Specialized number for Spanish Correspondence (see *Refund Inquiry Site Specialized Holding Numbers*, located on SERP under the Who/Where tab).

- (2) A Form 4442/e-4442 received in Refund Inquiry from a phone call or in person meeting, is worked as if this was a taxpayer's correspondence.
- (3) Follow guidelines in IRM 21.3.3.1.8, Policy Statement P-21-3 to ensure issues raised by taxpayers in their inquiries have been addressed.

21.4.3.5.5
(10-01-2026)

**Resolving Returned
Refunds (Unexpired
Checks)**

- (1) Refund checks returned within 12 months of issue date are stamped "NOT NEGOTIABLE", and scanned to the Correspondence Imaging Inventory (CII). Refund Inquiry employees use the Available Check Cancellation (ACC) link in the Treasury Check Information System (TCIS) to initiate the cancellation of the returned refund check directly with the Bureau of the Fiscal Service (BFS). Non Refund Inquiry Unit employees, see (3) below.
- (2) BFS will return credit for cancelled refund checks via SF 1098 and will post a Transaction Code (TC) 841 to the taxpayer's account within ten business days of the check cancellation. If there was a TOP TC 898 on the original refund, TOP will generate a TC 899 to reverse it. BFS will return credits for Non-Master File (NMF), Individual Retirement Account File (IRAF) and fee refunds manually on SF 1098.

Note: Returned refund checks are cancelled via TCIS only if they are received on or before the last business day of the 12th month after the issue date. Checks not meeting this criterion have expired and will not have the ACC process completed. See IRM 21.4.3.5.6, Resolving Returned Expired Refunds Limited Payability, for procedures on expired checks.

- (3) Take the following action when you receive a Form 3210 and/or a returned refund check.

If the returned check is	Then
Received in a Territory Office or Taxpayer Assistance Center (TAC)	1. Write "Void" on back of check. 2. Complete the Form 3913, Acknowledgment of Returned Refund Check, and provide the taxpayer with a copy. 3. Complete the Form 3210. Refer to IRM 3.8.47.4.4, Secure and Process a Returned Refund Check. 4. Send the check, Form 3210 and Form 3913 to the IRS campus Refund Inquiry Unit associated to the taxpayer's state of residency for processing. Individual Master File (IMF) returned checks will be worked at IMF campuses and Business Master File (BMF) will be worked at BMF campuses. For fax numbers and addresses, see <i>Refund Inquiry Unit Addresses</i>, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab.
Received by a campus	1. Acknowledge receipt of form. 2. Follow procedures in IRM 21.4.3.5.5, Acknowledgment of Returned Check, to complete the cancellation process.

Note: For more information about the follow up actions required for Form 3210 see IRM 3.5.61.1.7.5, Form 3210, Document Transmittal.

- (4) To research and resolve returned refund checks that include an explanation from the taxpayer, refer to the chart below. Follow the taxpayer's instructions whenever possible.

Row	If	And	Then
1	Credit is to be applied to a balance due	Credit not posted	Input CC STAUP or TC 470 to prevent offset and monitor for credit.
2	Credit is to be applied to a balance due	No balance due	Notify taxpayer of status.
3	Credit has posted	no content	Follow taxpayer's instructions.
4	Credit intended as payment for taxes	Credit not posted	Monitor for credit, when posted, follow taxpayer's instructions.
5	Refund returned on a deceased taxpayer's account, refer to IRM 21.6.6.2.21.2, Processing Decedent Account Refunds	Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or required documentation attached	Follow instructions and comply with the request.
6	Refund returned on a deceased taxpayer's account, refer to IRM 21.6.6.2.21.2, Processing Decedent Account Refunds	Form 1310 or required documentation not attached	Send Form 1310 to estate of deceased taxpayer requesting documentation. If the surviving spouse of a joint return is claiming the refund, Form 1310 is not required.
7	An erroneous name or designation of payee	Not negotiable	Request original document to verify payee, if necessary.
8	An original Form 1040-X, Amended U.S. Individual Income Tax Return received with the check	no content	Adjust account or route return to the proper function. Note: If routing a Form 1040-X, input a TC 971 Action Code (AC) 010 using the Received Date as the Transaction Date.
9	An original Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund; Form 1065-X, Amended Return or Administrative Adjustment Request (AAR); Form 1120-X, Amended U.S. Corporation Income Tax Return	no content	Adjust account or route return to the proper function.
10	Adjustment action posts before TC 841	Credit and P- freeze remaining on account	Refer to IRM 21.5.6, Freeze Codes, to determine if the P- freeze can be released.

Row	If	And	Then
11	Refund was correct when issued	Returned in error	Provide explanation to taxpayer. Do not allow more interest if the refund is to be reissued or applied to an outstanding liability. Note: If the original refund was a manual refund, you may need to reissue it as a manual refund. See IRM 21.4.4, Manual Refunds.
12	Refund was correct when issued, but is returned by a third-party because the taxpayer no longer lives at the address Reminder: All IRS employees are responsible for protecting the confidentiality and privacy of taxpayer information, follow procedures in IRM 21.1.3.2.2, Authorized and Unauthorized Disclosures, to report an inadvertent unauthorized disclosure.	P- freeze or TC 841 pending to post	Research CC ENMOD: • If an updated address is found, issue the refund to the updated address. • If no updated address is found on CC ENMOD, research current year CC IRPTR. If a different address is found, issue a Letter 533C, Refund Check Undelivered or Not Negotiated, asking the taxpayer to verify their current address. Suspend and allow 45 days for a response (70 days for overseas taxpayers). • If an updated address is not found or no response is received, follow paragraph (11) below. Note: See paragraphs (7) and (8) below to determine if interest is allowable.

Row	If	And	Then
13	Refund check is a non-IRS Treasury check (See Exhibit 3.8.44-7, Agency Location Codes (ALC), for IRS ALC listing)	Correspondence attached is requesting we apply or reissue the refund to a certain year or other IRS account action	- If the ALC is not 2009XXXX, elevate the case to your local Planning and Analysis liaison through your work leader and request the information be forwarded to BFS for case resolution. - After CII case note is received acknowledging transfer, issue Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, explaining we cannot accept a third-party check and the check will be returned to the originating agency to be reissued. For more information, see IRM 21.3.3.4.2.1, Use of 86C Letter - Referring Taxpayer Inquiry/Forms to Another Office
14	Refund check is a non-IRS Treasury check (See Exhibit 3.8.44-7, Agency Location Codes (ALC), for IRS ALC listing)	Correspondence is attached and is NOT requesting an IRS related action, but asking about the check or information related to it	- If the ALC is not 2009XXXX, elevate the case to your local Planning and Analysis liaison and request the information be forwarded to BFS for case resolution. - After CII case note is received acknowledging transfer, issue Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, explaining we cannot accept a third-party check and the check will be returned to the originating agency to be reissued. For more information, see IRM 21.3.3.4.2.1, Use of 86C Letter - Referring Taxpayer Inquiry/Forms to Another Office

Row	If	And	Then
15	Refund returned	Correspondence is attached which says they are not entitled to the refund (e.g., Non-Resident Alien) or have a religious or conscience-based objection to the refund	- Reverse the credits that created the refund (e.g., ACT, EIC or other prepaid credits). See IRM 21.6.3.4.2, Refundable Credits, for applicable credit instructions. - If a reversal of the credit is not possible due to an expired ASED, then move any Earned Income Credit (TC 764 or TC 768) or Generated Refundable Credit (TC 766) to Excess Collections, follow paragraph (11) below. - Send a closing letter to advise the taxpayer the credit causing the overpayment will be removed from their account.
16	Returned Recovery Rebate Credit (RRC), identified by a TC 766 CRN 256 on the account	Correspondence is attached which says they are not entitled to the refund (e.g., Non-Resident Alien) or have a religious or conscience-based objection to the refund	- If the ASED is unexpired, reverse the credit that created the refund. See IRM 21.6.3.4.2.14, Recovery Rebate Credit (RRC), for applicable credit instructions. - If the ASED is expired, move Generated Refundable Credit (TC 766) to Excess Collections, regardless of credit age, follow paragraph (11) below. - Send a closing letter to advise the taxpayer the credit causing the overpayment will be removed from their account.
17	Refund returned	Taxpayer states they cannot cash a U.S. Treasury Check in a foreign country and requests a direct deposit	- When the credit has posted to the account, update the CII work type as follows: Work Type: IMF INTL or BMF INTL Reassign Campus: PSC (IMF) or OSC (BMF) Doc Type: Returned Refund Category: 841P MFT, Program and Function: remain as assigned - For International sites follow procedures in IRM 21.4.4.5.2, Preparation of the Form 3753, Manual Refund Posting Voucher, to reissue the refund as a direct deposit.

Row	If	And	Then
18	Refund returned	Taxpayer states payment that caused the refund does not belong to them	- If a payment has posted to the wrong account and the correct owner of the payment can be identified, the payment must be transferred. Refer to IRM 21.5.8, Credit Transfers. - If the owner of the payment cannot be identified, refer to IRM 3.14.1.6.8, Excess Collections (XSF) and Unidentified Remittance (URF) Files.
19	Refund returned	Taxpayer states the refund is in an amount different than expected	Follow procedures in IRM 21.4.3.5.5.1, Check for Different Amount.
20	Refund returned	A third-party has requested the refund check be reissued in their name	Follow procedures in IRM 21.4.3.5.5.2, Negotiation by Another Party.
21	Refund returned	Taxpayer requests the refund check be reissued in a name of another party	Follow procedures in IRM 21.4.3.5.5.2.1, Issuing Checks in Another Name.
22	Refund returned	Taxpayer filed a joint return and requests the refund check be reissued in one name	Follow procedures in IRM 21.4.3.5.5.2.2, Joint Filers Request Refund Check in One Name.

Reminder: If there is any correspondence (unrelated to the returned refund check), not within your scope: send the case to your work leader for referral to the ICM to have the case reassigned to a team that can work the specific inventory.

Note: If the returned check is a non-IRS returned refund, **not** scanned into CII, refer to IRM 21.1.7.9.25, Non IRS Return Refund Checks, for routing procedures.

(5) If a taxpayer returns a refund check requesting that it be applied to another tax module and:

- The refund was not the result of a misapplied payment
- The refund was not due to IRS error
- Credit elect was not indicated on the return
- Liabilities were not claimed on Schedule B, Report of Tax Liability for Semiweekly Schedule Depositors, for any Form 94x series tax return
- Payment was not claimed on the total payment/deposit line of the tax form for the quarter in which the returned refund was to be applied

Then post the check as a TC 700. If interest was included on the refund and the taxpayer is still entitled to the interest, post the interest on the account with a TC 770. Do **not** allow more interest.

- a. For purposes of moving the credit to a different tax module, the principal component of the refund is debited with TC 820 and credited to the receiving module with TC 700. The transaction date of the TC 820 (debit) is the 23C date of the TC 841 (TC 740 in the case of an undeliverable refund check); the transaction date of the TC 700 (credit) is the date the returned refund check was received.
- b. Because the posting of TC 841 will cause any systemically generated interest (TC 776) allowed on the refund to be removed with TC 777, it must be manually re-posted with TC 770. Input TC 770 with a CR-INT-TO-DT that is identical to the date interest was originally computed to on the returned refund. See IRM 20.2.4.8, Refunds, for more information.

Caution: The CR-INT-TO-DT is the ending interest computation date for the interest that was included in the refund check. It is not the 23C posting date of a returned TC 846, nor the 23C posting date of the TC 776 that accompanies TC 846.

- c. When TC 770 posts, it is debited with TC 850 and credited to the receiving module with TC 700. The transaction date of the TC 850 (debit) is the 23C date of the TC 770; the transaction date of the TC 700 (credit) is the date the returned refund check was received.
- d. If a taxpayer originally requested that they receive a refund, and the refund is returned with a request that it be applied to the estimated tax account of the immediately succeeding tax year, the amount credited to the estimated tax account (on the date the returned refund was received) shall include the refund principal plus any overpayment interest that was originally allowed on the refund (provided the interest amount was not allowed in error). Do **not** characterize the transfer as a credit elect (TC 830 and TC 710) but use the transaction codes referenced above.
- e. Use CC ADD24/CC ADC24 (refer to IRM 2.4.17, Command Codes ADD24/34/48, ADC24/34/48, FRM34 and DRT24/48, for more information) to generate the transfers described above. Input Bypass Indicator (BPI) "1" or TC 570, as appropriate, to override unpostable condition 305/198. See IRM 21.5.8.4.5, TC 570 and Bypass Indicator.

Example: A Form 941 for the 4th quarter of 2018 is timely filed on 01/31/2019, reporting an overpayment of \$950.00, which refunded with interest of \$16.80. The module shows a TC 776 posted 06/17/2019 for \$16.80 and a TC 846 posted 06/17/2019 for \$966.80. The interest was computed on the overpayment of \$950.00 from 01/31/2019 to 06/08/2019. IRS received the returned refund on 10/25/2019 with a request to apply it to pay a balance due on the Form 941 module for the second quarter of 2019 (201906). The returned refund posted to the module with a TC 841 for \$966.80 and TC 777 for \$16.80, both dated 06/17/2019.

To transfer the principal portion of the returned refund to the 201906 balance due module, a credit transfer is entered with a TC 820 for \$950.00, dated 06/17/2019, and a TC 700 for \$950.00, dated 10/25/2019. An adjustment to re-allow the interest on the returned refund will be input with a TC 770 for \$16.80 and a CR-INT-TO-DT of 06/08/2019. If the 23C posting date of this adjustment is 12/02/2019, then the transfer of the interest portion to the 201906 module is input with TC 850 for

16.80, dated 12/02/2019 (23C date), and TC 700 for 16.80, dated 10/25/2019 (the date IRS received the returned refund).

- (6) If no explanation or other information is provided by the taxpayer, and you are unable to determine why the refund check was returned, correspond with a Letter 407C, Refund Returned by Taxpayer; No Reason Indicated, or Letter 18C, Decedent Refund (Form 1310 Requested), if a Form 1310 is needed. Suspend the case and allow 45 days for a response (70 days for overseas taxpayers). If no response is received, follow paragraph (11) below.

Note: If the returned check is for the first, second, or third round of Economic Impact Payments, see IRM 21.6.3.4.2.13 (2), Economic Impact Payments, for more information about how to correct these accounts.
If the taxpayer is requesting the refund be reissued, send a closing letter for your refund inquiry case. You may use the suggested verbiage:
We are no longer authorized to reissue your Economic Impact Payment (EIP). To claim the Recovery Rebate Credit (RRC), you must have filed your tax return and claimed the credit. The deadline to file a return claiming a refund for 2020 was May 17, 2024.
or
We are no longer authorized to reissue your Economic Impact Payment (EIP). To claim the Recovery Rebate Credit, you must have filed your tax return and claimed the credit. The deadline to file a return claiming a refund for 2021 was April 15, 2025.

Note: Returned RRC, identified by a TC 766 CRN 256 on the account, are to be treated the same as other non-EIP returned refunds. Do not follow IRM 21.6.3.4.2.13.3, Economic Impact Payments (EIP) - Manual Adjustments, to reverse the credit when addressing returned RRC checks

- (7) When a refund check is reissued to the taxpayer or designated payee, do not allow interest if:

- Taxpayer furnished incorrect information
- Taxpayer moved before refund received
- Refund returned to be applied to any outstanding balance
- Taxpayer error

- (8) Allow interest under the following conditions:

- A government agency error caused the refund to go to incorrect address
- TC 841 posts after an adjustment, and **P-** freeze is on account
- IRS caused the incorrect refund amount or directed the refund to the wrong payee

Note: See IRM 20.2.4.8.5.2, Returned and Intercepted Refund Checks, for more information about allowable interest calculations.

- (9) Use the following guides when inputting a TC 290 to release **P-** freeze as a refund to the taxpayer. Refer to IRM 21.5.6, Freeze Codes.

Note: If the returned check is for the first, second, or third round of Economic Impact Payments, see IRM 21.6.3.4.2.13, Economic Impact Payments, for more information about how to correct these accounts.

Individual Master File (IMF) No Interest	IMF Same Interest	IMF Additional Interest
1. TC 290 for .00 2. TC 770 for .00 3. Hold Code "3" 4. Reason Code "099"	1. TC 290 for .00 2. TC 770 for amount of original interest Note: On TC 770 for the amount of original interest, use the CR-INT-TO-DT of the original TC 776 or TC 770. 3. Hold Code "3" 4. Reason Code "099"	TC 290 for .00

Business Master File (BMF) No Interest	BMF Same Interest	BMF Additional Interest
1. TC 290 for .00 2. TC 770 for .00 3. Hold Code "3"	1. TC 290 for .00 2. TC 770 for amount of original interest) Note: On TC 770 for the amount of original interest use the CR-INT-TO-DT of the original TC 776 or TC 770. 3. Hold Code "3"	TC 290 for .00

Note: TC 770 for .00 not required for current year returns if the refund will be issued prior to June 1.

- (10) Depending on the age of the credit, transfer the payment or credit to the Unidentified Remittance or Excess Collections accounts if:
- The credit cannot be released through research or correspondence with the taxpayer
 - The taxpayer has not responded to our correspondence (original or follow-up)

Note: Telephone contact is **not** required if a previous attempt was made to obtain new/correct address information (i.e., 533C or another letter).

- (11) If unable to release the credit, transfer the credit as follows:

If	Then
The credit is less than one year old	Apply to the Unidentified Remittance File (URF-4620 Account) using Form 2424, Account Adjustment Voucher. Refer to IRM 3.14.1.6.8, Excess Collections (XSF) and Unidentified Remittance (URF) Files.

If	Then
The credit is more than one year old, or a returned Recovery Rebate Credit (RRC)	Apply to the Excess Collection File (XSF– 6800 Account) using Form 8758, Excess Collections File Addition. Refer to IRM 3.17.220.2, Excess Collections File, for specific information about the Excess Collections Account 6800. If moving a returned Recovery Rebate Credit (RRC) refund as instructed paragraph 4 above, clearly annotate the Form 8758 as being a “Returned Recovery Rebate Credit (RRC)”.

After taking action to resolve credit on the account (as indicated above), ensure all documentation (including Form 2424 or Form 8758) is attached to your CII case, follow IRM 21.5.1.5.1, CII General Guidelines and close the case.

Note: Form 8758 - Excess Collections File Addition should be routed to the appropriate site based on the Filing Location Code (FLC) of the DLN see *Excess Collection*, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab.

Reminder: Use the procedures in IRM 25.25.13-2, Transferring Credits to Excess, to determine the order in which you should transfer credits to and from Excess Collections. When moving a credit or payment to the Excess Collection File (XSF) or the Unidentified Remittance File (URF) follow procedures in IRM 21.5.8.4 (14), IDRS Guidelines for Credit Transfers, for required audit trail markers. For assistance in matters related to XSF and URF, see *Excess Collection*, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab.

21.4.3.5.5.1
(03-15-2023)

Check for Different Amount

- (1) If the taxpayer receives a refund in an amount different than expected, and the check has not expired, follow the table below to resolve.

Note: For fax numbers and addresses, see *Refund Inquiry Unit Addresses*, located on Servicewide Electronic Research Program (SERP) under the Who/Where tab.

If	And	Then
The taxpayer questions the amount	You can determine the difference through IDRS and original refund is correct	1. Provide explanation to taxpayer. 2. If refund was returned, reissue and limit interest to the amount of the original refund.
The taxpayer questions the amount	You can determine the difference through IDRS research and refund is incorrect	1. Advise the taxpayer to write void on the back of the check and return it to the IRS with a letter of explanation. 2. If the refund was returned, adjust account as necessary.

If	And	Then
The taxpayer questions the amount	You cannot determine the difference through IDRS research	1. Advise the taxpayer to write “void” on the back of the check and return it to the IRS with a letter of explanation. 2. If refund returned, request the return and all related documents, if necessary, to resolve the case. 3. Send an interim letter or telephone taxpayer with explanation of the delay, if necessary. 4. Upon receipt of the documents, take the proper action and send taxpayer a letter explaining the resolution. 5. Adjust the account and/or reissue the refund.

21.4.3.5.5.2
(10-02-2023)

Negotiation by Another Party

- (1) In some cases, a third-party will request the refund check be reissued in their name because the taxpayer is unable to negotiate the check (i.e., imprisonment). The criteria to issue a refund check in another name is listed in IRM 21.4.3.5.5.2.1, Issuing Checks in Another Name.
- (2) If the check cannot be reissued in the third-party's name based on the IRM, there are some alternative methods the IRS may suggest. BFS regulations state a Treasury check may be **signed** by another party without the need to reissue the check in the third-party's name. A bank may accept a check endorsed by another party and assumes responsibility for verifying the party is authorized and has the capacity to endorse and negotiate the check. See 31 CFR. 240.13, *Indorsement by payees*, at (b)(1)(ii) for acceptable endorsements by another party. See 31 CFR. 240.13(b)(2). The procedure also applies to the endorsement of a joint check by one payee.

Note: A preparer cannot negotiate a taxpayer's refund check even if the taxpayer wants the preparer to do so.

- (3) If the third-party does not meet the IRM criteria for issuing the check in their name, follow procedures in chart below:

If	Then
The third-party does not meet criteria to have the check issued in their name per IRM 21.4.3.5.5.2.1, Issuing Checks in Another Name	Send Letter 1219C, Refund inquiry; (Joint F3911) Requires Certification: Form 1040, and advise the check cannot be issued in the third-party name and advise of options below that may help in negotiating the check on behalf of the taxpayer • FS Form 232, Specific Power of Attorney - By Individual for the Collection of a Specified Check Drawn on the United States Treasury at https://fiscal.treasury.gov/pfc/forms.html, or • They may contact the bank who may offer the payee to sign a bank-produced document providing a "specific power of attorney" to the person signing the check
The third-party provides a copy of an IRS Form 2848, Power of Attorney and Declaration of Representative and requests the check be issued in their name per the taxpayer's request	Send Letter 1219C and explain that Form 2848, authorizes a representative to receive, but not endorse or collect, a check drawn on the Treasury. IRS rules and regulations require that an endorsement by any person other than the payee comply with the BFS regulations. See 26 CFR. 601.504(a)(5). Suggest the alternative methods in "Then" section above.

- (4) The IRS may reissue a refund check to another party in the limited situations listed in IRM 21.4.3.5.5.2.1, Issuing Checks in Another Name, or in the name of one joint filer in the limited situations listed in IRM 21.4.3.5.5.2.2, Joint Filers Request Refund Check in One Name, after the IRS has determined that the documentation submitted with the request to reissue the check could help defeat a subsequent complaint against the IRS by the taxpayer or by one joint filer that the refund check was improperly cashed by another party or by the other joint filer.

21.4.3.5.5.2.1
(10-01-2026)
**Issuing Checks in
Another Name**

- (1) When a taxpayer requests the refund check be reissued in a name of another party, they must send back the voided check and provide sufficient proof. Customer Service toll-free or Live Chat assistants, follow procedures in IRM 21.4.3.5.4, Returned Refund Check Procedures.
- (2) When a request for the refund check be reissued in a name of another party is received. Take the following actions:

Reminder: After taking action to resolve credit on the account (as indicated below), ensure all required documentation is attached to your CII case, follow IRM 21.5.1.5.1, CII General Guidelines, and close the case.

Row	If	And	Then
1	BMF refund check	Correspondence stating company dissolved and sufficient is documentation received	1. Reissue refund as a manual refund. Follow procedures in IRM 21.4.4, Manual Refunds 2. Include documentation received as supporting document. Do not allow more interest if the refund is to be reissued or applied to an outstanding liability.
2	BMF refund check	Sufficient documentation is not received	1. Send the proper letter (e.g., 407C, 696C, etc.) requesting missing documentation. 2. Suspend case for 45 days (70 days for overseas taxpayers).
3	BMF refund check	No response to request is received after 45 days (70 days for overseas taxpayers)	Follow procedures in IRM 21.4.3.5.5 (11), Resolving Returned Refunds (Unexpired Checks).
4	IMF refund check	Payee signed statement that check is not from joint account, or has letter or court certification showing conservatorship or guardianship, etc.	1. Correct entity information, if applicable. 2. Release refund or follow manual refund procedures to issue refund to designated individual. 1. If reissuing refund as a manual refund. Follow procedures in IRM 21.4.4, Manual Refunds 2. Include documentation received as supporting document. Do not allow more interest if the refund is to be reissued or applied to an outstanding liability.
5	IMF refund check	Insufficient documentation	1. Send Letter 1219C, Refund Inquiry; (Joint Form 3911) Requires Certification: Form 1040, requesting missing documentation. 2. Suspend case for 45 days (70 days for overseas taxpayers).
6	IMF refund check	No response to request is received after 45 days (70 days for overseas taxpayers)	Follow procedures in IRM 21.4.3.5.5 (11), Resolving Returned Refunds (Unexpired Checks).

21.4.3.5.5.2.2 (10-01-2026)

Joint Filers Request Refund Check in One Name

- (1) When a taxpayer filed a joint return and requests the refund check be reissued in one name, they must send back the voided check with supporting documentation as stated in the If/Then chart in paragraph 2 below. Customer Service toll-free or Live Chat assistants, follow procedures in IRM 21.4.3.5.4, Returned Refund Check Procedures.
- (2) When a spouse on a joint return requests the refund check be reissued in one name, take the following actions:

Reminder: After taking action to resolve credit on the account (as indicated below), ensure all required documentation is attached to your CII case, follow IRM 21.5.1.5.1, CII General Guidelines, and close the case.

Row	If	Then
1	One or both spouses are outside the United States in connection with the military and the requester is one of the payees on the check	Advise the requester to submit in writing: 1. Copy of Power of Attorney (POA) issued by the military, or 2. Signed statement from other spouse consenting to issuance of the refund to the requester
2	One or both spouses are outside the United States and the requester is one of the payees on the check	Advise the requester to submit in writing: 1. A signed statement from other spouse consenting to issuance of the refund to requester with a statement that the other spouse is outside of the United States and will not be in the United States for the next [XX] months. Note: In cases where spouse has been deported or other circumstance, a specific time frame may not be known.
3	One spouse is incarcerated and the requester is one of the payees on the check	Requester must submit written permission from incarcerated spouse consenting to issuance of the refund to the requester.
4	One spouse is missing and there is no legal separation	Advise the taxpayer to obtain one of the following: 1. A copy of police report of missing person or, 2. Certification from state or local government agency that spouse cannot be found, or 3. A copy of notice printed in newspaper
5	Taxpayer is divorced and requests the refund check be reissued in different amounts	Taxpayer must submit a copy of the divorce decree dictating how the refund should be allocated (see Rev. Rul. 80-8, amplified by Rev. Rul. 86-57.)
6	One spouse is unable to endorse the joint refund check due to medical reasons	Taxpayer must submit supporting documentation to prove they have been appointed to act for the other spouse or sufficient documentation to establish a hardship situation exists. Note: BFS regulations allow a Treasury check to be signed by a guardian or other fiduciary appointed under state law when the payee is incompetent and lacks the ability to provide consent or authorization. Evidence of the authority may be required by Treasury in the event of a dispute. See 31 CFR 240.14, Checks issued to incompetent payees
7	Taxpayer filed a married filing joint (MFJ) return and requests the refund check be reissued in one name	Taxpayer must submit a signed statement from other spouse consenting to issuance of the refund to the requester.

Row	If	Then
8	The request does not meet any of the above criteria	1. Reissue check in both names. 2. Send Letter 1219C, Refund Inquiry; (Joint Form 3911) Requires Certification: Form 1040, using the proper paragraphs and giving reason: "One spouse refuses to endorse the refund check (i.e., civil matter, no divorce decree allocating the refund)". Use open paragraphs, as needed.
9	The request meets any of the above criteria and sufficient documentation is received	1. Reissue refund as a manual refund. Follow procedures in IRM 21.4.4, Manual Refunds 2. Include documentation received as supporting document. Do not allow more interest if the refund is to be reissued or applied to an outstanding liability.
10	The request meets any of the above criteria and sufficient documentation is not received	1. Send Letter 1219C to request missing information 2. Suspend case for 45 days (70 days for overseas taxpayers)
11	No response to Letter 1219C after 45 days (70 days for overseas taxpayers)	1. Transfer the credit to the a. Unidentified Remittance File (URF – 4620 Account) or b. Excess Collection File (XSF – 6800 Account) account See IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks). For procedures on moving credits to the 4620 account see IRM 21.5.8.4 (14), IDRS Guidelines for Credit Transfers. 2. Close CII case.

- (3) If the criteria above are not met, the refund check cannot be issued in one name. The IRS cannot determine the refund allocation. The issue is considered a civil matter between the spouses that may be addressed under local law.

21.4.3.5.6 (02-06-2026)

Resolving Returned Expired Refunds Limited Payability

- (1) Under Title X, Government Checks, of the Competitive Equality Banking Act of 1987 (known as Limited Payability provision), checks issued October 1, 1989 or later expire the last business day of the 12th month after issuance. The credit for an expired refund will be processed (the 2nd business day in the 13th month), and will post one month later as a TC 740, blocking series/serial number "66666".
- (2) If the taxpayer contacts IRS and either returns or wants to return a refund check that is over 1 year old (known as a "stale dated" check) use the following chart to determine your response:

Reminder: An expired RSED does not affect a refund reissuance, the refund was timely claimed and issued.

Row	If	Then
1	S- freeze is present	- Follow S- freeze procedures in IRM 21.4.3.5.3, Undeliverable Refund Checks. Exception: If the refund relates to EIP or AdvCTC, see row 6 or row 7. - Tell the taxpayer to destroy the expired check if it is still in their possession.
2	S- freeze and a TC 388 are present on CC IMFOL and not on CC TXMOD	- Input CC RECON to activate the module. The refund will generate once the TC 389 posts. Advise the taxpayer to allow 4-6 weeks. Note: If the refund is older than seven years, TC 389 will post and reissue the refund when the account is brought back from retention. See IRM 2.3.51.2, Command Code IMFOL. - Refer to IRM 21.4.2.4.9, Processing Limited Payability (LP) Cancellations on Checks Dated After 09/30/1989
3	No S- freeze is present	- Check the tax module for a TC 740, with blocking series 66666, and matching posting date after the TC 846. - If the TC 740 is present and another TC 846 or TC 826 is posted after the TC 740, advise the taxpayer their refund has been re-issued or offset. - Advise the taxpayer to destroy the expired check if it is still in their possession.
4	No S- freeze is present or credit on the module	Conduct research. Check the account for subsequent refund transactions TC 740, TC 841, TC 846, TC 840, or TC 826. - If no subsequent refund is found, and it's been 12 months past the refund issue date but no more than 14 months, prepare a Form 4442/e-4442, Inquiry Referral, to the issuing campus Refund Inquiry Unit for CC CHKCL input. Select Referral Type "IRM" with Category - "Other Write-In". For Write-In description use "IRM 21.4.3.5.6" - Resolving Returned Expired Refunds Limited Payability, and for Reason, select "Other or Complex Issue/Training Specialization". Include in the notes any pertinent information. Advise the taxpayer to allow 4-6 weeks for us to provide a refund check status or the refund to be reissued. Tell the taxpayer to destroy the expired check if it is still in their possession. - Refund Inquiry Unit employees: Input CC CHKCL to post the credit for the check. Use the "N" non-receipt code on CC CHKCL. If a P- freeze needs to be set, use non-receipt code "H". See Exhibit 21.4.2-4, Stop Reason Codes Conversion Guide, for available codes. - Do not allow more interest if the IRS is not at fault. - If the refund check is between the 13th month and 7 years after the issue date, inform the taxpayer to return the refund check to the Refund Inquiry Unit for further research. Tell the taxpayer to write void on the back of the check and return it to IRS along with a letter of explanation. See the <i>Refund Inquiry Unit Addresses</i> for the proper address. Once research has been completed the taxpayer will receive the refund or a letter.

Row	If	Then
5	No S- freeze is present or refund cancellation credit on the module	If no refund cancellation credit transaction is found on the module and it's after 7 years of the issue date of the refund check, advise the taxpayer by telephone or Letter 2218C, Refund Inquiry; Check Claim Disallowed, Check Endorsed/Paid, that the check cannot be reissued.
6	Expired check is an Economic Impact Payment (EIP)	The EIP should have been systemically reversed. If EIP has not been reversed, follow IRM 21.6.3.4.2.13.3, Economic Impact Payments (EIP) - Manual Adjustments, to adjust EIP. The taxpayer may claim the Recovery Rebate Credit on their 2020/2021 tax return if eligible. See IRM 21.6.3.4.2.14, Recovery Rebate Credit, for more information.
7	Expired check is an Advance Child Tax Credit Payment (AdvCTC)	The AdvCTC should have been systemically reversed. The funds cannot be reissued, see IRM 21.6.3.4.1.22.2.1, Reconciling Advance Child Tax Credit (AdvCTC) Payments, for more information.

Note: If the original refund was a manual refund, you may need to reissue as a manual refund. Refer to IRM 21.4.4, Manual Refunds.

- (3) For refunds meeting or related to TRNS46 transcripts (STAT-08 and AMX-08) with decedent refunds, refer to IRM 21.2.4.3.20, Processing TRNS46 Cases, to address refund.

21.4.3.5.6.1
(10-01-2005)
**Resolving Limited
Payability Retention
Cases**

- (1) Returned refunds on "Unrecoverable Retention Register" accounts must be worked at the issuing campus. If an original check is returned and the account has dropped to retention (no longer available on Masterfile):
- Research CC IMFOR for the vestigial record of the account. This is a read-only command code and will not restore the module. If not available on CC IMFOR, research CC IMFOLV for necessary information and request a microfilm record of the account using CC ESTABMZ. See IRM 2.3.18, Command Code ESTABM, for more information.
 - When retention register is received, review the account for evidence of a previous cancellation of the refund and if found, advise the taxpayer of the disposition (reissue or offset).
 - If the account shows no evidence of a prior cancellation and the refund is to be reissued, research CC IMFOLT to see if the module is recoverable from retention.
 - If the IMFOLT screen shows "Recoverable Retention Register", input CC IMFOLB to generate a TC 013 and TC 370 to reestablish a name line and tax module on Master File. For more information on restoring retention accounts, see IRM 21.2.2, Research.
 - If IMFOLT shows "Unrecoverable Retention Register", prepare Form 5248, Transfer Request, to restore the account or prepare Form 3753, Manual Refund Posting Voucher, to issue the refund from Non-Master File. Do not reestablish a retention account unless the refund is to be reissued.

Note: A module cannot be easily restored if there are transactions pending or posted on the dummy module (TC 840). Therefore, do not issue a manual refund or post any transactions to the account before it is restored.

- f. Before restoring an account, ensure there is an established name line for the year in question. If more than one year is being restored, establish the name-line year on the oldest year. Be aware of possible disclosure issues on a name change.
- g. Monitor until the TC 841 posts and release refund.

Caution: If the original refund was a manual refund, the replacement may need to be manual. See IRM 21.4.4, Manual Refunds.

- h. If a TC 777 generates to reverse credit interest that has already been manually reversed by TC 772, correct the account using TC 770 prior to closing case.

21.4.3.5.7 (02-06-2026)

Use of Listings to Monitor Returned Refund Cases

- (1) The two Category Codes that pertain to returned refund checks (excluding undeliverables) are 3913 and 841P, but these may change depending on actions taken on the account.
- (2) Unexpired refund checks are scanned to Correspondence Imaging Inventory (CII), which opens a control base on IDRS in Category Code 3913. When the check is cancelled in the Available Check Cancellation (ACC) link on the Treasury Check Information System (TCIS), the funds will be returned and a TC 841 will post (at which time the Category Code changes to 841P).

Note: Checks that are Limited Payability (LP) expired (more than one year old) are not sent to the RFC and a TC 841 will not post, therefore the Category Code will not change.

Caution: A check that is returned directly to the RFC by the taxpayer is known as a "Code 3" cancellation (on the SF1098 listing). RFC cancels the check and forwards any taxpayer correspondence to IRS. The TC 841 for these checks should already be posted when the correspondence is received, but the Category Code "3913" will not automatically change to "841P". If this occurs, change the Category Code to "841P".

- (3) Returned refunds in Category "3913" age in 45 days from the received date. When the category updates to "841P", action must be taken in 14 days to avoid becoming overaged. Use the following chart for required follow-up action time frames on these categories:

Category Code	Activity Code	1st day Overage from applicable date	Action to take if “HMMMing” in HMMM column
3913	Usually, a batch number	45 days from received date	If the Category Code has not updated to “841P”, check for one of the following: 1. Unpostable TC 841. The most common TC 841 unpostable is the credit attempting to post with the wrong date. Accounts merged or resequenced to another TIN after the refund was issued will also cause the TC 841 to unpost. 2. A TC 740 posted for the expired check. Take immediate action. 3. Code 3 cases from the RFC. The TC 841 posted before the control was opened. The aged list would show Category 3913 but there is a P- freeze. Update the control base to “841P” and work case. 4. Check Treasury Check Information System (TCIS), or the SF 1098 listing for refund cancellation. You may need to contact Accounting so they can post the TC 841. Note: Do not wait 45 days before checking CC TXMOD for these conditions. Try to perform needed research, document request, suspense letters or interim actions as soon as possible so action can be taken as soon as the TC 841 posts Caution: Input CC STAUP or a TC 470 on balance due modules while waiting for the TC 841 to post.
841P	Same unless performing research	14 days from Action date	When the TC 841 posts, take the proper action to resolve the case.

Note: If case cannot be closed within 60 days and an interim letter has not generated, send a Letter 288C, Interim Reply; Adjustment Request Considered.

21.4.3.6

(10-01-2026)

Returning Direct Deposit Refunds

- (1) If the taxpayer calls or sends in a request on how to return a direct deposit refund, first confirm the refund was issued by the IRS, then determine if the taxpayer is entitled to the refund.
- (2) If speaking to the taxpayer or the taxpayer’s authorized Power of Attorney (POA) on Form 2848 or Tax Information Authorization (TIA) on Form 8821, verify the refund information on the taxpayer’s account. You may need to research multiple tax years, invalid side of the TIN, cross-referenced TINs, etc. The taxpayer’s bank statement may also verify it was sent from the “Depart-

ment of the Treasury” (IRS), unless the refund was received through a RAC or RAL. Refer to IRM 21.4.1.5.7, Direct Deposits – General Information, to determine if a refund is a direct deposit or a RAC/RAL.

- (3) If the refund was not expected, or differs from what the taxpayer anticipated, research the account for the reason. See IRM 21.4.1.5.1, Refund Not Sent or Amount Differs.

Caution: If there is potential refund fraud or ID theft involved, do not provide details about the questionable tax return. If not already on the account, input TC 971 AC 522 and the proper IDT tracking code. See IRM 25.23.2.4.4, Initial Allegation or Suspicion of Tax-Related Identity Theft - IMF Identity Theft Indicators, for codes and more information.

- (4) After verifying the direct deposit **was** issued from the taxpayers account, annotate AMS with the reason for the taxpayer request to return the refund. Advise the taxpayer, orally or in writing, to send payment for the full amount of the deposit along with a letter of explanation and include where the refund should be applied.

Advise to annotate all payments with the following:

- Make the check or money order payable to “United States Treasury”.
- The taxpayer name and address.
- The SSN or EIN (specify the primary TIN on the account).
- Day time telephone number.
- Tax form(s) to which the payment applies.
- Tax period(s) to which the payment applies.

See *TCD 0043 - Payment Annotations*, for additional information.

Inform the taxpayer to send the letter and repayment to the Refund Inquiry Unit for further research. See the *Refund Inquiry Unit Addresses* for the proper address.

- (5) If the taxpayer indicates they **did not** request a refund, or after reviewing the taxpayers account no direct deposit can be found, follow directions in IRM 21.4.5.12, How to Repay an Erroneous Refund or Return an Erroneous Refund Check or Direct Deposit.

Caution: Make every effort to determine the refund was sent by the IRS before following this step.