



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

21.5.8

SEPTEMBER 19, 2024

EFFECTIVE DATE

(10-01-2024)

PURPOSE

- (1) This transmits a revised IRM 21.5.8, Account Resolution, Credit Transfers.

MATERIAL CHANGES

- (1) IRM 21.5.8.1.3 Updated the title of the section.
- (2) IRM 21.5.8.1.4 Updated the title of the section.
- (3) IRM 21.5.8.1.5 Updated the title of the section.
- (4) IRM 21.5.8.2 (IPU 24U0651 issued 05-15-2024) Clarified paragraph 2 detailing that ALL employees must use IAT for credit transfers.
- (5) IRM 21.5.8.4 (IPU 23U0989 issued 10-02-2023) Added Caution regarding transferring payments on ST 60 accounts.
- (6) IRM 21.5.8.4.4 (IPU 24U0406 issued 03-14-2024) Added CC FRM49 to paragraph 8 as a way to get rid of filing requirements.
- (7) IRM 21.5.8.4.5 (IPU 24U0117 issued 01-24-2024) Added offset to Paragraph 3 row 3.
- (8) IRM 21.5.8-1 (IPU 23U0989 issued 10-02-2023) Added row for date changes of payments to chart.
- (9) Exhibit 21.5.8-1 (IPU 24U0406 issued 03-14-2024) Added TC 680 & TC 690 as acceptable TCs for a change to a TC 670.
- (10) Minor editorial changes made throughout includes updating links, typographical errors, plain language improvement, and W&I to TS, where applicable.

EFFECT ON OTHER DOCUMENTS

IRM 21.5.8, Credit Transfers, dated August 17, 2023 (effective 10-02-2023) is superseded. This incorporates the following IRM Procedural Updates: IPU 23U0989 issued 10-02-2023, IPU 24U0117 issued 01-24-2024, IPU 24U0406 issued 03-14-2024, and IPU 24U0651 issued 05-15-2024.

AUDIENCE

All employees performing account work.

LuCinda Comegys
Director, Accounts Management
Taxpayer Services Division

21.5.8
Credit Transfers

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21.5.8.1
(10-01-2017)
Programs Scope and Objectives

- (1) **Purpose:** This IRM covers information on Credit Transfer processes to apply payment(s) and or credit(s) appropriately.
- (2) **Audience:** The primary users of the IRM are all IRS employees in Business Operating Divisions (BODs) who are in contact with taxpayers by telephone, correspondence, or in person.
- (3) **Policy Owner:** The Director of Accounts Management.
- (4) **Programmer Owner:** Policy and Procedures IMF (PPI), Accounts Management, Taxpayer Services.
- (5) **Primary Stakeholders:** The primary stakeholders are organizations that Accounts Management collaborates with; for example: Return Integrity & Compliance Services (RICS), Compliance and Submission Processing.
- (6) **Program Goals:** Program goals for this type of work are included in the Accounts Management Program Letter as well as IRM 1.4.16, Accounts Management Guide for Managers.

21.5.8.1.1
(10-01-2017)
Background

- (1) Employees in the Accounts Management (AM) organization respond to taxpayer inquiries and phone calls as well as process claims and other internal requests.

21.5.8.1.2
(09-14-2020)
Authority

- (1) Per Policy Statement 5-2: We actively assist taxpayers who try to comply with the law, and work to continually improve the quality of our systems and service to meet the needs of our customers. All taxpayers whether delinquent or fully compliant are entitled to prompt and professional service whenever they deal with Service employees. The public is our customer, not just delinquent taxpayers. Our customers expect us to promote voluntary compliance by ensuring that all promptly pay their fair share.

21.5.8.1.3
(10-01-2024)
Roles and Responsibilities

- (1) The Taxpayer Services Chief has overall responsibility for the policy related to this IRM which is published on a yearly basis.
- (2) Additional information is found in IRM 1.1.13.7.3, Accounts Management, and IRM 21.1.1, Accounts Management and Compliance Services Overview.

21.5.8.1.4
(10-01-2024)
Program Management and Reviews

- (1) **Program Reports:** The program reports provided in this IRM are for identification purposes for the Accounts Management Contact Representatives (CRs) and Tax Examiners (TEs). For reports concerning quality, inventory, and aged listing, refer to IRM 1.4.16, Accounts Management Guide for Managers. Aged listings can also be viewed by accessing Control Data Analysis, and Project PCD. They are also on the Control-D/Web Access server, which has a login program control.
- (2) **Program Effectiveness:** Program Effectiveness is determined by Accounts Management's employees successfully using IRM guidance to perform necessary account actions and duties.
- (3) **Program Controls:** Goals, measures, and operating guidelines are listed in the yearly Program Letter. Quality data and guidelines for measurement are referenced in IRM 21.10.1, Embedded Quality (EQ) Program for Accounts

Management, Campus Compliance, Field Assistance, Tax Exempt/Government Entities, Return Integrity and Compliance Services (RICS), and Electronic Products and Services Support.

21.5.8.1.5
(10-01-2024)

Acronyms and Terms

- (1) The information below is a list of commonly used acronyms and terms this IRM:
 - AMS - Account Management Services
 - BMF - Business Master File
 - CC - Command Code
 - CII - Correspondence Imaging Inventory
 - CP - Computer Paragraph
 - DLN - Document Locator Number
 - IAT - Integrated Automation Technologies
 - IDRS - Integrated Data Retrieval System
 - IMF - Individual Master File
 - MFT - Master File Tax
 - NMF - Non-Master File
 - NSD - No Source Document
 - SD - Source Document
 - TC - Transaction Code
- (2) For a comprehensive listing of IRS acronyms, refer to the *Acronym Database*.

21.5.8.1.6
(09-14-2020)

Related Resources

- (1) Refer to IRM 1.4.16.1.6, Related Resources, for information on related resources that impact internal controls.
- (2) The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights*.

21.5.8.2
(05-15-2024)

Credit Transfers Overview

- (1) A credit transfer moves a payment or credit from one module to another, or reverses a credit previously applied. This IRM provides guidelines for credit transfers that include:
 - Integrated Data Retrieval System (IDRS)
 - Correct Credit Transfer Format
 - No Source Documents
 - Source Documents
 - CP 60, We Removed a payment Erroneously Applied to your Account - Balance Due (IMF)
 - CP 62, Notice of Credit Transfer - We Credited Your Account
 - CP 225, Missing Payment Has Been Applied
 - CP 260, An Erroneous Payment Previously Applied to Your Account Has Been Reversed - Balance Due (BMF)
 - TC 570 and Bypass Indicator
 - Posting Delay Code
 - Avoiding Unpostables

- (2) Employees will use the Integrated Automation Technology (IAT) Credit Transfer Tool when inputting credit transfers. The tool provides a list of transferable payments, auto-fills reversal transaction codes (TCs), performs unpostable checks, and ensures use of appropriate codes, amounts and dates to prevent unpostables. For additional IAT information refer to the *IAT Website*.

21.5.8.3
(10-01-2019)
Credit Transfer Research

- (1) This section contains some general processing and research procedures for credit transfers. Do not input a credit transfer if another employee or organization has an open control base. Contact the person or organization with the open control base. **DO NOT** close, reassign or change the control base until this contact is made. Refer to *IUUD: IDRS Unit & USR Database*, on SERP. Exceptions can be found in IRM 21.5.2.3, Adjustment Guidelines-Research.

Note: You **must** place the other control base in “B” status to transfer the credit; return the control base to the original status after transfer is complete.

- (2) For information on credit transfers involving the Individual Retirement Account File (IRAF), refer to IRM 21.6.5.4.11.8, Individual Retirement Account File (IRAF) Credit Transfers.
- (3) For credit transfers to Non-Master File (NMF) accounts, refer to IRM 3.17.64.9, Credit Transfers.
- (4) For detailed information on transferring estimated tax payments, refer to IRM 21.6.3.4.2.3, Estimated Tax (ES). Refer to IRM 21.5.7.3.2.2, Spousal Payments, for information involving spousal accounts.
- (5) For Procedures for User Fee payment transfers, refer to IRM 5.19.1.6.4.6.3, User Fee Payment Transfer/User Fee Abatements.

21.5.8.3.1
(10-02-2023)
Determining Source Document Requirement for Credit Transfers

- (1) A Source Document (SD) is required for:
 - Credit transfers between non-related accounts.
Example: Due to IRS error, a payment is posted to an unrelated taxpayer, such as a payment posted to a corporation and taxpayer requests payment to be moved to a Partnership or an Individual account.

Note: Treasury accounts such as Excess Collection and Unidentified Remittance, that are accessed via Command Code (CC) XSINQ and CC URINQ, are considered non-related accounts.

- Related accounts resulting in a debit balance after the transfer.
Example: The taxpayer requests a payment to be moved from a fully satisfied account to another account. Refer to paragraph 4 below for examples of related accounts.

Reminder: The Correspondence Imaging Inventory (CII) image is the source document, and it remains on CII for further recall if needed. CII allows attachment of files to individual cases. This functionality allows documents to be saved to a CII case for future reference, instead of associating the document with a paper case. Certain subject specific IRMs require attachment of documents to the adjustment. The CII attachment function may be utilized in lieu of a paper attachment. Refer

to IRM 21.5.1.5, Correspondence Imaging Inventory (CII) Procedures, for additional information on CII documentation requirements.

Exception: Source Documents are not required for credit transfers taken over the phone. Update AMS history notes and the Remarks section on the transfer screen (DRT24/48 and FRM 34) with specific information including caller name, phone number and reason for transfer. For example: "Joe Birch, XXX-XXX-XXXX, TP notated wrong SSN on payment document."

(2) Use taxpayer correspondence as the source document (SD), or in the case of oral statement, prepare an e-4442/Form 4442, Inquiry Referral, history sheet or phone documentation sheet, and use as the SD. The SD documentation **must** include the following:

- Taxpayer must confirm the payment amount or the IRS endorsement information on the cancelled check,
- Payment Document Locator Number (DLN) (matching the transfer DLN),
- Tax form for the applicable Master File Tax (MFT) Code, tax period, and payment date, and,
- Any additional pertinent information the taxpayer may provide.

Reminder: Corporate Business Master File (BMF) accounts are excluded from oral statement authority when transferring between corporate accounts and either to non-corporate (BMF) accounts or any Individual Master File (IMF) accounts. Source documentation is required. Request the taxpayer fax the documentation to you. The documentation should state which payment was misapplied to the corporate account and where the payment should be applied, such as non-corporate (BMF) account or IMF account.

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required. Refer to the If and Then Table in IRM 21.5.8.4.2, Determining Correct Credit Transfer Format.

(4) No Source Document (NSD) is required on credit transfers within the same TIN, or between related accounts if a credit is available.

Examples of related accounts include:

- Parent submits payment for minor child, but payment is applied to parent's account.
- Taxpayer submits a payment intended for business account (sole proprietor), but it is applied to a personal account.
- Corporation with several subsidiaries submits a payment which is applied to the wrong Employer Identification Number (EIN).
- Spousal accounts - transfers between primary and secondary tax accounts; see IRM 21.5.7.3.2.2, Spousal Payments.

(5) Enter the appropriate information in the "Remarks" section of your credit transfer tool. Follow procedures in IRM 21.5.2.4.6, Remarks Field, and IRM 21.5.2.4.7, Remarks on Type of Adjustment, for proper use of remarks. Indicate the oral statement or back-up information for your actions. Additional

information regarding oral statement remarks can be found in IRM 21.1.3.20.2, Oral Statement Documentation Requirements.

21.5.8.4
(10-02-2023)
**IDRS Guidelines for
Credit Transfers**

- (1) You can transfer a credit if at least one of the tax modules is on the Integrated Data Retrieval System (IDRS). Inputting a credit transfer with only one side active on IDRS systemically creates a dummy account on the corresponding (second) side of the credit transfer. If not active, use Command Code (CC) MFREQ, see IRM 2.3.10, Command Codes MFREQ and RECON, for more information.

Reminder: Per IRM 21.5.8.2, Credit Transfers Overview, employees, with access to IAT, are required to use the IAT Credit Transfer Tool. The tool automatically MFREQs the inactive account.

Caution: For employees inputting a payment arrangement, or for a payment extension (60-120 days), **prior** to using CC MFREQ or the IAT Credit Transfer Tool, refer to IRM 5.19.1.6.3, Short Term Payment Plan Within 180 Days, or an installment agreement (I/A), refer to IRM 5.19.1.6.4, Installment Agreements (IAs).

- (2) Before inputting any credit transfer, research IDRS (including CC TXMOD, CC IMFOLT for IMF and CC BMFOLT for BMF) for both **to** and **from** accounts to view any recent account activity. Consider the effects of pending transactions, previous actions, freeze codes, module balances and posted penalty and interest adjustments.

Caution: If the account is in Status 60, which indicates that it is in Installment Agreement (IA) status, review the account to ensure that IA payments are not moved.

- (3) Credit transfers may be authorized through oral statement or correspondence received from the taxpayer. The taxpayer **may** provide information such as:
 - Taxpayer Identification Number (TIN)
 - Date of payment
 - Amount of payment
 - Tax period payment intended for
 - Type of payment (e.g., check, money order, Debit/Credit card, electronic payment)
 - Payment Document Locator Number (DLN) (matching the transfer DLN)
 - IRS encoding information (e.g., check or money order)
 - Routing number for financial institution on which the check was drawn
 - Electronic payments - Direct Pay or Debit/Credit Card Payment, and confirmation number
 - Electronic payments - The Electronic Federal Tax Payment System (EFTPS) 15-digit EFT number
- (4) **Do not** move payments until they post. See IRM 21.5.8.4.7 (7), Avoiding Credit Transfer Unpostables, for more information.
- (5) Each credit transfer affects two modules unless the transfer is for the purpose of changing the payment date or transaction code (TC) only. When using CC ADD34, the credit side of the CC FRM34 transaction posts one cycle after the

debit side. Refer to IRM 20.1.4.24.2, Misdated Deposits, to determine when a Federal Tax Deposit (FTD) transaction date can be changed.

(6) Each credit transfer has two sides:

- Debit Side - Upper section where the credit is located and transferred from
- Credit Side - Lower section where the credit is being transferred to

(7) To prevent the issuance of erroneous refunds or notices, all actions need to post in the same cycle. Use posting delay codes when inputting multiple actions such as:

- A credit transfer and tax adjustment. If both an adjustment and a transfer of credit into the module are needed, input a posting delay code of one cycle on the adjustment. In three weeks, the taxpayer receives a notice of adjustment with the correct module balance
- Multiple credit transfers in and out of the same module.

Note: A Q- freeze on a BMF tax module holds excess credit for 15 cycles and generates a CP 267, No Math Error Credit Offset Notice, or CP 268, Math Error Credit Offset Notice, before refunding. If less than 3 weeks remain before the freeze expires, refer to IRM 21.7.11.4.9, CPs 267/268 - Notice of Excess Credit.

(8) Notices CP 60, We Removed a Payment Erroneously Applied to your Account - Balance Due, for IMF, and CP 260, An Erroneous Payment Previously Applied to Your Account Has Been Reversed - Balance Due, for BMF, generate to the taxpayer when a credit transfer places the module into a debit balance

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Payment Applied to a Different Taxpayer's Account/TIN.

(9) The bypass indicator (BPI) field is mandatory. Input the correct BPI, and if applicable a TC 570, and/or a posting delay code, when necessary to:

- Suppress notices,
- Hold credits, and,
- Avoid unpostable conditions.

Refer to IRM 21.5.8.4.5, TC 570 and Bypass Indicator, for information on usage of TC 570 and applicable BPI.

(10) A TC 606 is computer generated to clear net module balances of less than

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If	And	Then
TC 670 payment is on the module.	TC 670 is equal to or less than the TC 606 amount.	No action is required. The computer reverses the TC 606 with a TC 607.
TC 670 payment is on the module.	TC 670 is more than the TC 606 amount.	Use CC ADD24 with a TC 672 for the amount and date the TC 670 posted, and a TC 670 for the amount and date of the TC 606 clearance. This generates a TC 607 and a TC 672 with the date of payment and TC 670 date of TC 606. Note: Do not transfer more than the TC 606 amount.
Request for tax decrease is received.	TC 606 is on the module.	TC 606 automatically reverses when the TC 291 is input.
Request for a penalty abatement of less received.	TC 606 has generated causing a zero balance.	No adjustment is necessary.

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- (11) To successfully input a transfer, transaction codes must be compatible. Refer to *Document 6209 Section 8A.2, Transaction Codes*, for a list of transaction codes and document codes. Refer to Exhibit 21.5.8-1, Transaction Codes and Reversals.
- (12) ACS assistors request a manual lien release (TC 582 lien indicator) in the following situations:
- The lien will not systemically release;
 - The action you are taking will fully satisfy all outstanding liabilities and will not post within 30 days; or,
 - It has been more than 30 days from the time when the account was fully satisfied.

Refer to IRM 5.12.3.3.1, Liability is Satisfied - IRC § 6325(a)(1), regarding manual lien releases. Per IRM 21.5.4(5), General Adjustments - Procedures, employees with access to the Automated Lien System (ALS) input the lien release. Employees without access to ALS submit *Form 13794, Request for Release or Partial Release of Notice of Federal Tax Lien*, to the Centralized

Lien Unit. The fax numbers can be found by selecting *Centralized Lien Processing* under the Who/Where tab on the SERP home page.

Note: **NON-ACS assistors** transfer a lien release request to ACS per the *TTG*.

- (13) Lien or Levy payments **cannot** be applied to MFT 35 or MFT 65, these payments can be identified by the Designated Payment Code (DPC). For additional information on MFT 35 and MFT 65, refer to IRM 21.6.4.4.20.3, Shared Responsibility Payment Overview. There are several types of lien and levy payments:

- DPC 05 most common levy
- DPC 06 seizure and sale
- DPC 07 payment received specifically for a full or partial payoff of the Notice of Federal Tax Lien
- DPC 15 payments received with Form 8519-A, *Taxpayer's Copy of Notice of Levy*
- DPC 18 primary TIN Federal Payment Levy Program (FPLP) anyone with a federal contract usually i.e., social security
- DPC 19 secondary TIN Federal Payment Levy Program (FPLP) anyone with a federal contract usually i.e., social security
- DPC 20 state income tax levy program – primary TIN
- DPC 21 state income tax levy program – secondary TIN
- DPC 22 Alaska permanent fund dividend (oil pipeline) – primary TIN
- DPC 23 Alaska permanent fund dividend – secondary TIN
- DPC 30 payment for municipal income tax levy
- DPC 32 bulk electronic levy – from employer

- (14) When moving a credit or payment to the Excess Collection File (XSF) or the Unidentified Remittance File (URF), you must input a Transaction Code (TC) 971 with Action Code (AC) 296 on the module where the credit or payment is posted. This provides an audit trail for the credit/payment and indicates research of the primary and related taxpayer identification numbers (TINs) was completed prior to the transfer to XSF or URF. Related TINs may include a secondary Social Security Number (SSN), Individual Taxpayer Identification Number (ITIN) or an Employer Identification Number (EIN):

- Input a cross reference TIN in the X-REF TIN field. If no related TINs are found, input the primary TIN in the X-REF TIN field. If multiple TINs are researched, only input one cross reference TIN. Generally, input the TIN most closely related to the primary TIN.
- Only one TC 971 AC 296 is needed if several payments/credits are being moved off the module at the same time.
- Input another TC 971 AC 296 if additional payments/credits post after a previously posted TC 971 AC 296. This shows research was completed on the more recent payments prior to moving them to XSF or URF.

Prior to transferring credit to the XSF, if further information from the taxpayer is needed to resolve the credit, in addition to any letters that may have been issued, you must:

- a. attempt to contact the taxpayer by telephone to determine proper disposition of payment or credit.
- b. document actions on *Form 8758*, Excess Collections File Addition, refer to IRM 21.7.7.4.1.1.3, *Form 8758 Instructions*, for additional information.

- c. have management's signature in the remarks section of Form 8758 certifying that appropriate research has been exhausted for large dollar credit modules of \$100,000 or more.

21.5.8.4.1
(10-21-2013)
Credit Transfer Input on IDRS

- (1) Prior to making a credit transfer adjustment, at least one of the tax modules involved must be present on IDRS. To initiate credit transfers, two command codes (CCs) are used in the following sequence:
 - a. SUMRY and/or TXMOD (with definer)
 - b. ADDnn or ADCnn (nn = document code 24, 34, or 48)

Refer to IRM 2.4.17, Command Codes ADD24/34/48, ADC24/34/48, FRM34 and DRT24/48, for more information on these command codes.
- (2) The tax module accessed with CC TXMOD/SUMRY is the primary account for the credit transfer. Determine if the tax module should be:
 - *Debited*, use CC ADDnn
 - *Credited*, use CC ADCnn
- (3) Input CC ADDnn or ADCnn and overlay the taxpayer identification number (TIN), MFT, tax period, and name control with the information relating to the other portion of the credit transfer (referred to as the secondary account). The secondary account may or may not reflect the same TIN, MFT, and tax period.
- (4) When inputting credit transfers, you may need to use a non-IDRS Indicator listed in table below in the "NON-IDRS-IND>" field to indicate the secondary account/module is not on IDRS:
 - **Primary** – TXMOD overlay with CCs ADD24/ADC24, ADD34/ADC34, or ADD48/ADC48
 - **Secondary** – The other side of the credit transfer

Non-IDRS indicator values are:

Indicator value	Value explanation
=	The Primary module in the transfer (auto generated)
Blank	Account and specific tax module for the Secondary are both on IDRS
A	Account for the Secondary is not on IDRS
@	The specific tax module, that credit is being moved in or out of for the Secondary, is not on IDRS

- (5) Use designated payment code (DPC) "00" when transferring a misapplied payment (TC 640, 670, 680, 694, 690, and 700) without a DPC.

Note: DPC is not needed for CC ADD48/ADC48 credit transfers.

- (6) Refer to IRM 5.19.1.6.4.6.3, User Fee Payment Transfer/User Fee Abate-ments, for User Fee payment transfer procedures.

- (7) The credit transfer programming does not allow an IRS received date that is more than 1 year old. When inputting a credit transfer and the IRS received date is more than 1 year old use the current date as the IRS received date. This **ONLY** pertains to the IRS received date **NOT** the payment date.

21.5.8.4.2
(10-03-2022)

**Determining Correct
Credit Transfer Format**

- (1) For general information regarding credit transfer formats, refer to IRM 2.4.17, Command Codes ADD24/34/48, ADC24/34/48, FRM34 and DRT24/48.
- (2) Use CC **ADD24/ADC24**, when:
- Changing a payment date, override code "2" is required.

If	Then
Payment amount is over	Obtain written managerial approval before changing the date. Source Documentation (SD) is required . Employees with access to CII should use <i>Case Notes</i> on CII to obtain managerial approval. The Case Note should state - "Managerial approval required for payment date change".
Payment amount is zero on a TC 610	Do not change the date.
Payment is a Federal Tax Deposit (FTD)	Follow instructions in IRM 20.1.4.24.2, Misdated Deposits.

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- Changing the transaction code of the payment (e.g., TC 610 to TC 670).

Note: Remittance Processing System (RPS) Freeze "R-" generates if a credit balance is created when a TC 610 is transferred to a module already containing a RPS TC 610. If possible, change the payment to a TC 670. Otherwise, input TC 290 for zero to release the "R-" Freeze after transferring the payment as a TC 610.
 - A secondary TC is needed (e.g., TC 570 or TC 180).
 - Transferring between Master Files (e.g., IMF and BMF).
 - Transferring with a TC 820.
- (3) Use CC **ADD34/ADC34**, when:
- Transferring within the same Master File. The posting routine of the CC ADD34/ADC34 prevents partial Master File posting of the transaction (e.g., the credit side posts but the debit side goes unpostable). For this reason, use CC ADD34/ADC34 whenever possible.
 - A secondary transaction is not necessary. A credit transfer notice (CP 62 for IMF and CP 225 for BMF) is generated to the taxpayer when the "CORRESP-DT" field is overlaid with the inquiry date. In general, the taxpayer receives the credit transfer notice within four weeks from the date the credit transfer was input. Multiple credit transfers are combined, and the taxpayer receives only one notice.
- (4) Use CC **ADD48/ADC48**, when:
- Transferring credits have already offset or applied as credit elects.

If	Then
<p>Credit elect overpayment transfer is the total of remaining credits, after the tax is paid, dated by the due date plus grace period. Refer to IRM 21.5.1.4.2.5, Received Date - Grace Periods.</p>	<p>Transaction date of the TC 830 (debit) and TC 710 (credit) is the due date of the overpaid return, without regard to extensions.</p> <p>Example: TY 202212 is overpaid by 1,500.00; the taxpayer requests that the overpayment be applied to TY 202312. Using the IAT Credit Transfer Tool, input CC ADD48/ADC48 on TY 202212, input a TC 830 04152023 1,500.00 and on TY 202312 input a TC 710 04152023 1,500.00-.</p> <p>Exception: If the transfer is for a Form 1120 (MFT 02) module with a tax period ending in June, or an MFT 02 tax period beginning prior to 201601, the earliest dates for the debit (TC 830) and credit (TC 710) fields is one month past the unextended due date of the return. Refer to IRM 21.7.4.4.4.2.1, Form 1120 Corporate Series Return Due Dates - Tax Years Beginning after December 31, 2015.</p> <p>Exception: If the transfer is for Form 941-X, Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund, refer to IRM 21.7.2.4.5.6.1, Form 941-X Tax Decreases - Adjusted Employment Tax Return; if the transfer is for Form CT-1 X, Adjusted Employer's Annual Railroad Retirement Tax Return or Claim for Refund, refer to IRM 21.7.2.6.5.10.1, Form CT-1X Decreases - Adjusted Employment Tax Return.</p>
<p>Credit elect overpayment transfer consists of a credit or partial credit dated after the due date of the return plus grace period. Refer to IRM 21.5.1.4.2.5, Received Date- Grace Periods.</p>	<p>Transaction date of TC 830 (debit) and TC 710 (credit) is the posting date of the payment. Input separate transfers to accommodate multiple late payments, or when an overpayment is comprised of both timely and late payments/credits.</p> <p>Exception: If the transfer is for a Form 1120 (MFT 02) module with a tax period ending in June, or an MFT 02 tax period beginning prior to 201601, the earliest dates for the debit (TC 830) and credit (TC 710) fields is one month past the unextended due date of the return. Refer to IRM 21.7.4.4.4.2.1, Form 1120 Corporate Series Return Due Dates - Tax Years Beginning after December 31, 2015.</p> <p>Exception: If the transfer is for Form 94XX employment tax returns, refer to the appropriate section of IRM 21.7.2, Employment and Railroad Tax Returns.</p>

Note: For additional information on determining the availability dates for overpayments refer to IRM 20.2.4.4, Availability Dates for Overpayments.

- b. When transferring or reversing an overpayment, the credit must be available before the TC 830 can be used to transfer the credit. BPI "0" must be input on CC ADD48/ADC48/DRT48 credit transfers.

Exception: If multiple actions (such as ADJ54 adjustment and a credit transfer) are necessary and the correct overpayment is determined, all actions can be input at the same time. Refer to IRM 21.5.8.4.6, Posting Delay Code.

- (5) When inputting an adjustment creating a credit and a credit elect at the same time, you **must** use either a hold code "1" or hold code "2" on your adjustment to prevent an erroneous refund. Refer to IRM 21.4.5, Erroneous Refunds, for additional information. When adjusting a Mixed Entity or ID Theft account, refer to IRM 25.23.4.4, Taxpayer Inquiries Involving Identity Theft. When the credit elect posts to the account (TC 830), the -K freeze is released, and an adjustment notice is sent to the taxpayer. No additional correspondence is needed. Refer to IRM 21.5.2.4.15, Rules on Hold Codes (HC), for more information on using hold codes.
- (6) When transferring an Electronic Federal Tax Payment System (EFTPS) payment, input the EFTPS indicator of "1" on CC ADD/ADC24. Refer to IRM 21.5.8.4.7, Avoiding Credit Transfer Unpostables, for additional information. To assist in identifying EFTPS payments, refer to IRM 3.17.277.5.3, EFT Number, for EFTPS number configuration.

21.5.8.4.3
(09-14-2020)
**IMF Notices of Credit
Posting/Reversal
Adjustment**

- (1) CP 62, Notice of Credit Transfer - We Credited Your Account, generates if the "CORRESP-DT" field on CC FRM34 is overlaid. This notice is similar to the Letter 672C, Payment(s) Located and/or Applied. When CC ADD34/ADC34 is used and the credit transfer fully resolves the taxpayer's inquiry and no other issues were involved, the CP 62 is an adequate response.
- (2) Overlay the CORRESP-DT field with the taxpayer contact date (correspondence date/inquiry date) if known. If contact date is unknown, enter the IRS received date. On multiple transfers, a date must be entered in this field for each payment transferred.
- (3) A CP 62 is not generated in the same cycle as an adjustment notice. The adjustment notice cannot be suppressed and generates when:
- An adjustment (CC ADJ54) is input, or
 - Timely payments are credited to a tax module causing recomputation of posted Failure to File (FTF) and/or Estimated Tax (ES) penalties.
- (4) When the CP 62 is not generated, written notification to the taxpayer is necessary, such as Letter 672C, Payment(s) Located and/or Applied.
- (5) When inputting IMF credit transfers using DRT24/DRT48, which places the
- neously Applied to your Account - Balance Due, automatically generates to the taxpayer. In general, the taxpayer receives a CP 60 within four weeks from the date the credit transfer was input. Multiple credit transfers are combined, and the taxpayer receives only one notice.

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21.5.8.4.4
(03-14-2024)
**BMF Notices of Credit
Posting/Reversal
Adjustments**

- (1) CP 225, Missing Payment Has Been Applied, generates when CC ADD34/ADC34 is used and the "CORRESP-DT" field on CC FRM34 is overlaid. There are two versions of this notice, complete and partial.
- (2) On multiple credit transfers, enter a date in the "CORRESP-DT" field for each payment transferred.
- (3) The complete CP 225 notice is similar to the Letter 672C, Payment(s) Located and/or Applied, and fully explains the payment transfer and balance due on the module.
- (4) The partial CP 225 notice generates if another adjustment notice, such as the CP 210, Examination (Audit) or Data Processing Tax Adjustment - Balance Due, Overpayment, or Even Balance, or CP 220, Examination (Audit) or Data Processing Tax Adjustment - Balance Due, Overpayment, or Even Balance, is generated in the same cycle. The partial CP 225 details the payment transaction and status of account (even balance or overpaid).

Note: An adjustment (ADJ54) input with a TC 290 for zero with or without item reference numbers does not generate a CP 210/220 adjustment notice, unless the TC 290 for zero releases a credit frozen on the module (i.e., Q-freeze, -A freeze, R-freeze, etc.).

- (5) Transferring timely credits into a module containing a posted TC 166 (Failure to File penalty), TC 176 (Estimated Tax penalty), TC 186 (Federal Tax Deposit penalty), or TC 276 (Failure to Pay penalty) causes these penalties to recompute and generate an adjustment notice CP 210/CP 220. Other penalties may also recompute but will not generate an adjustment notice.

Note: You cannot suppress this type of adjustment notice. You can stop the notice for a manually transferred payment.

- (6) An incomplete CP 225 and a CP 210/220 generates when:
 - A timely payment is transferred into a module **AND**
 - A recomputation of the FTD, FTF, FTP, and/or ES penalties occurs **AND**
 - CC FRM34 is used to transfer the payment(s) with the CORRESP-DT field completed.

These notices provide an adequate response to the taxpayer; therefore, no additional "C" letter is needed.

- (7) When adjusting and transferring credit(s) into the same module using CC FRM34 with no CORRESP-DT, input a posting delay code of one cycle on the adjustment (ADJ54). In three weeks, the taxpayer will receive a notice of adjustment with the correct module balance.
- (8) When transferring a misapplied payment, you must check the filing requirements on CC ENMOD to determine if the misapplied payment established the filing requirement. If it did, remove the filing requirement using CC BNCHG or the IAT Tool for CC FRM49. If you are unable to determine if the filing requirement should be removed through IDRS research, request the information from the taxpayer either verbally or in writing.

- (9) When inputting credit transfers using DRT24/DRT48 that will place the module

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Applied to Your Account Has Been Reversed - Balance Due, automatically generates to the taxpayer.

21.5.8.4.5
(01-24-2024)

TC 570 and Bypass Indicator

- (1) Use a bypass indicator (BPI) "1" or Transaction Code (TC) 570 to override the unpostable condition 305/198. Unpostable condition 305/198 is created when a credit:
- Attempts to post to a full paid module, or
 - Is greater than the balance due on the account.
- (2) The transaction codes affected by the unpostable condition are:
- IMF - 430, 660, 670, 760
 - BMF - 650, 660, 670, 760
- (3) The bypass indicator (BPI) field is a mandatory field. Follow the chart below to determine the correct BPI.

Row	Situation (Credit portion of transfer Only)	Bypass Indicator "0"	Bypass Indicator "1"	TC 570
1	Overpayment should not refund or offset Exception: IMF only see next row	Yes	No	Yes
2	IMF only - TC 760 Overpayment	No	Yes	No
3	Overpayment should refund or offset	No	Yes	No
4	Amount is less than the debit module balance	Yes	No	No
5	Full pays the module	Yes	No	No
6	Credit transfer to correct payment date.	Yes	No	Yes

Row	Situation (Credit portion of transfer Only)	Bypass Indicator "0"	Bypass Indicator "1"	TC 570
7	No TC 150 on the module Exception: BMF see next 2 rows regarding status of module	Yes	No	No
8	BMF only - Status 06 and TC 594/599 posted	Yes	No	No
9	BMF only - Status 06 and other TC 59X posted	No	Yes	No

Note: Refer to IRM 21.5.8.4.2, Determining Correct Credit Transfer Format, for signature requirements when correcting payment dates.
Refer to IRM 21.5.8.3.1, Determining Source Document Requirement for Credit Transfers.

(4) Follow the chart below for the debit portion of the transfer:

Situation	Bypass Indicator	TC 570
Prevent refund or offset of any remaining credit after transfer	N/A	Yes
To suppress CP 260/60 Notice	N/A	Yes

Reminder: Input TC 570 with the credit transfer in order to hold the credit. A TC 570 input as a separate transaction with CC FRM77 does not prevent a refund or offset. When the Debit portion of the credit transfer has a remaining credit balance and should not refund or offset, select the Integrated Automation Technologies (IAT) Credit Transfer Tool options, "Debit Freeze" and "Override ALL ADD34 with ADD24" listed under the "Post All Credits with Section". Selecting these options will generate a TC 570 on the debit side of the transfer preventing the credit from refund or offset.

- (5) Do not freeze a credit without a valid reason. The employee inputting the TC 570 must ensure the freeze is released when applicable. If monitoring is needed, prepare an in-house e-4442 and include instructions for the remaining credit so that the -R freeze can be released.
- (6) To reverse a TC 570, input TC 571 on CC REQ77 with a posting delay code of one cycle. Refer to IRM 2.4.19, Command Codes REQ77, FRM77 and FRM7A.

Exception: Do NOT input TC 571 if a TC 29X or 30X will be input at a later date, or there is an open “-L” Freeze on the module that is in status 08 or above. Refer to procedures in IRM 21.5.6.4.24, -L Freeze. If there is a TC 971 AC 665 on the module, this indicates a manual assessment was processed by Accounting and any credits on the module should NOT be released.

Note: Generally, do not remove payments from an account in debit status, or in zero balance, or if the transfer results in a debit balance.

21.5.8.4.6
(07-07-2006)
Posting Delay Code

- (1) Use a posting delay code (PDC) on an adjustment or credit transfer when multiple transactions are required to adjust an account, and some must post in later cycles.
- (2) You can use the PDC with all credit transfer formats.
- (3) Input CC ADD34/ADC34 with PDC on the debit side only. The credit transaction does not attempt to post until at least one cycle after the debit posts.
- (4) On BMF accounts, use PDCs to bypass Unpostable 316 when:
 - a. Transferring multiple TCs 826 with the same payment date and the computer splits the corresponding credit into multiple TCs 706 causing a money mismatch. Reverse the largest TC 706 first and use PDCs on the remaining TCs 706.

Reminder: When you are also adjusting an account, use a HC 3 to suppress additional notices to the taxpayer, when using PDCs to cycle the remaining TC(s) 706.

- b. Transferring multiple credits or payments with the same payment date and the amounts are equal to, or less than, the posted payment amount. Transfer the largest payment first, then cycle the subsequent payments using PDCs.
- (5) The PDC extends the IDRS “PN” status. It does not post with the transaction or appear with the IDRS pending transaction.

21.5.8.4.7
(05-02-2022)
Avoiding Credit Transfer Unpostables

- (1) To avoid unpostables, use the correct reversal transaction codes and correct dates as applicable. When using CC DRT24, include the EFTPS-ELEC-DPST-IND “1” when the original payment was received through EFTPS. For non-electronic payments, do not include the EFTPS-ELEC-DPST-IND indicator.

Reminder: The debit and credit dates are different on some transactions, e.g., TC 792/ TC 892.

- (2) Input a bypass indicator (BPI) "1" or TC 570 when transferring payments to an account in zero or credit balance. Follow procedures in IRM 21.5.8.4.5, TC 570 and Bypass Indicator.
- (3) Use CC ADD34/ADC34 to transfer EFTPS payments, unless required to use CC ADD24/ADC24. Do all preliminary research to locate EFTPS payments using CC EFTPS before performing a credit transfer. For additional information for this command code refer to IRM 2.3.70, Command Code EFTPS.
- (4) Research IDRS for a generated transfer such as TC 666 and TC 667 before reversing the credit elect TC 712 (including re-sequence transactions, Command Code IMFOLQ).
- (5) Ensure the account is active. Refer to IRM 21.5.2.4.13, Reinstating Retention Register Accounts, for reinstating retention register accounts.
- (6) When a credit transfer is input incorrectly, the same person who input the credit transfer can use the Command Code TERUP the same day to delete the credit transfer. Only the Debit TIN should be deleted; it is not necessary to delete the Credit side since the Debit is the primary and controlling transaction. Refer to IRM 2.4.13, Command Code TERUP.
- (7) **Do not** move payments until they post.

Exception: Use a posting delay code to move pending payments showing IDRS status AP, CU, PN, RS or TP. Refer to IRM 21.5.8.4.6, Posting Delay Code. The IDRS Pending Status Codes are found in *Document 6209 Section 14.7*, Pending Transaction Identification Codes/ IDRS Merge Related Transaction Codes.

Note: When inputting a refund deletion request (CC NOREF), monitor the account and transfer credit after TC 841 posts. Refer to IRM 21.4.1.5.10, Refund Intercept CC NOREF with Definer "P".

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Exhibit 21.5.8-1 (03-14-2024)**TRANSACTION CODES AND REVERSALS**

Reminder: Employees who have access to the Integrated Automation Technologies (IAT) Credit Transfer tool must use the tool when inputting credit transfers.

Note: Use CC ADD34/ADC34 whenever possible. Use designated payment code (DPC) **00** when transferring a misapplied payment (TC 640, 670, 680, 694, 690, and 700) without a DPC.. When transferring these payments, input **00** on the credit side of the Doc Code 24 or 34 screen immediately after “DESG-PYMT-CD>” unless the payment has another code (01-14 or 99). When moving a cash bond or IRC 6603 deposit from one tax module to another, to maintain the identity of the deposit on the receiving module use DPC **12** on the credit side of the transfer.

The table below is not all inclusive. For additional guidance, refer to *6209 Code Retriever*.

Exhibit 21.5.8-1 (Cont. 1) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
1	Previous credit held on account	820	700	24	<p>Transfer lump sum credits to the receiving module when not reversing a previous transfer.</p> <p>For TC 820 and TC 700 use the date the credit became available, which is the later of the return due date (determined without regard to any extension of time for filing), or the date of the credit creating the overpayment. If the TC 820 date is prior to the date the credit is available, interest and penalty erroneously assesses on the losing account.</p> <p>Exception:</p> <p>When an overpayment is applied to a liability dated after the date the credit comprising the overpayment is available, the date of the TC 700 is the due date of that liability, in which case it may be necessary to compute interest on the transfer, refer to IRM 20.2.4.7.1, Interest on Offsets.</p> <p>Caution:</p> <p>Input separate transfers to accommodate multiple late payments, or when the overpayment is comprised of both timely and late payments/credits.</p> <p>Reminder:</p> <p>Do not use the combination of TC 820 and TC 6XX when moving an overpayment to a future tax period.</p>

Exhibit 21.5.8-1 (Cont. 2) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
2	Various TCs that created the over- payment	830	710	48	<p>Transfer overpayment to the following period (credit elect). For TC 830 and TC 710, use the later of the return due date, (determined without regard to any extension of time for filing), or the date of the credit creating the overpayment. If all payments or credits are timely, use the return due date. If the TC 830 date is prior to the date the credit is available, interest and penalty erroneously assesses on the losing account.</p> <p>Exception:</p> <p>If the transfer is for a Form 1120 (MFT 02) module with a tax period ending in June, or a MFT 02 tax period beginning prior to 201601, the earliest dates for the debit (TC 830) and credit (TC 710) fields is one month past the un-extended due date of the return. Refer to IRM 21.7.4.4.2.1, Form 1120 Corporate Series Return Due Dates – Tax Years Beginning after December 31, 2015.</p> <p>Note:</p> <p>When adjusting employment tax returns refer to IRM 21.7.2.4.4, Adjusted Employer's Federal Tax Return or Claim for Refund, to determine the correct transaction date.</p> <p>Caution:</p> <p>Input separate transfers to accommodate multiple late payments, or when the overpayment is comprised of both timely and late payments/credits.</p>
3	430	662	660	24 or 34	<p>Transfer as an estimated tax payment. Use the TC 430 payment date on TC 662 and TC 660. For detailed information on transferring estimated tax payments refer to IRM 21.6.3.4.2.3, Estimated Tax (ES).</p>

Exhibit 21.5.8-1 (Cont. 3) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
4	430	662	670	24	Transfer estimated payment that should be posted as a subsequent payment (e.g., received after RDD). Use the payment date of the TC 430 on the TC 662 and TC 670.
5	610	612	610	24 or 34	Transfer a payment received with a return when the same return is being reprocessed to the receiving module. Use the TC 610 payment date on TC 612 and TC 610.
6	610	612	670	24	Transfer a payment received with a return when a TC 150 has previously posted to the receiving account and the payment should be posted as a subsequent payment (e.g., received after original return received). Use the TC 610 payment date on TC 612 and TC 670.
7	610	612	670	24	Use this for changing a payment date on the same module. Refer to IRM 20.1.2.2.1(5), When Timely Mailing Equals Timely Filing or Paying (Received Date vs. Filing/Payment Date), for additional information.
8	620	622	620	24	When moving an extension to another module, transfer the payment received with the extension request Form 7004, Form 8736, or Form 5558. The payment posts as a tentative liability, which is the tax amount, allowed installment payment privilege. Use the TC 620 payment date on TC 622 and TC 620. Due to programming issues, this credit transfer is currently done by completing Form 2424, Account Adjustment Voucher. Use the TC 620 payment date and amount on both the TC 622 and TC 620. Route the completed form and supporting documentation to the accounting team associated with the campus that processes the case. See IRM 21.7.7.4.1.1.2, Form 2424 Instructions, for more information.
9	620	622	670	24	Transfer a payment as a subsequent payment when it was not meant as an installment payment with an extension. Use the TC 620 payment date on TC 622 and TC 670.

Exhibit 21.5.8-1 (Cont. 4) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
10	640	642	670	24	Transfer an advanced payment as a subsequent payment when it was processed in error or not meant to be an advanced payment of a deficiency. Use the TC 640 payment date on TC 642 and TC 670.
11	640	642	640	24 or 34	Transfer an advanced payment as a subsequent payment on the receiving module. Use the TC 640 payment date on TC 642 and TC 640.
12	640	642	660	24	Transfer an advanced payment as an estimated payment when it was processed in error or not meant to be an advanced payment of a deficiency. Use the TC 640 payment date on TC 642 and TC 660.
13	650	652	670	24	Transfer a FTD (TC 650) payment on the BMF account to the IMF account as a subsequent payment if the date of the payment is after the due date of the receiving account. Use the TC 650 payment date on TC 652 and TC 670.
14	650	652	650	24 or 34	Transfer a FTD (TC 650) payment on BMF account. Use the TC 650 payment date on TC 652 and TC 650.
15	650	652	660	24	Transfer a FTD (TC 650) payment on the BMF account to the IMF account as an estimated tax payment if the date of the payment is prior to the due date of the receiving return (TC 150). Use the TC 650 payment date on TC 652 and TC 660.
16	660	662	660	24 or 34	Transfer an estimated tax payment received before the due date of the receiving module. Use the TC 660 payment date on TC 662 and TC 660.
17	660	662	670	24	Transfer an estimated tax payment received after the due date of the receiving module. Use the TC 660 payment date on TC 662 and TC 670.
18	660	662	650	24	Transfer an estimated tax payment on Form 941 or Form 1120. Use the TC 660 payment date on TC 662 and TC 650.

Exhibit 21.5.8-1 (Cont. 5) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
19	670	672	670	24 or 34	Transfer payments as subsequent payments when the due date of the receiving module is before the date of the payment. Use the TC 670 payment date on TC 672 and TC 670.
20	670	672	660	24	Transfer as estimated tax payment when the received date of the payment is before the due date of the return. Use the TC 670 payment date on TC 672 and TC 660.
21	670	672	610	24	Transfer a subsequent payment, which should have posted as a payment with the original return (TC 150). Use the TC 670 payment date on TC 672 and TC 610.
22	670	672	680	24	Transfer a subsequent payment, which should have posted as a designated payment of interest if it was meant to be a payment of interest. Use the TC 670 date on the TC 672 and TC 680.
23	670	672	690	24	Transfer a subsequent payment, which should have posted as a designated payment of penalty if it was meant to be a payment of penalty. Use the TC 670 date on the TC 672 and TC 690.
24	678	679	678	24	Transfer an estimated tax paid by treasury bonds. Applies only to State tax. Use the TC 678 payment date on TC 679 and TC 678.
25	680	682	680	24 or 34	Transfer a designated payment as a designated payment of interest if the payment was meant to be a payment of interest. Use the TC 680 payment date on TC 682 and TC 680.
26	680	682	670	24	Transfer a designated payment of interest as a subsequent payment if the payment was not meant to be applied as a designated payment. Use the TC 680 payment date on TC 682 and TC 670.
27	690	692	690	24 or 34	Transfer a designated penalty payment as a designated penalty payment if the payment was meant to be applied as a designated payment. Use the TC 690 payment date on TC 692 and TC 690.

Exhibit 21.5.8-1 (Cont. 6) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
28	690	692	670	24	Transfer a designated penalty payment as a subsequent payment per taxpayer request, or if the payment was not meant to be applied as a designated penalty payment. Use the TC 690 payment date on TC 692 and TC 670.
29	694	695	694	24	Transfer a designated payment of Fees and Collection costs. Unposts if there is no TC 360 present on the debited module. Use the TC 694 payment date on TC 695 and TC 694.
30	694	695	670	24	Transfer a designated penalty payment as a subsequent payment if that is the taxpayer's intent. Use the TC 694 payment date on TC 695 and TC 670.
31	700	702	700	24	Reverse lump sum credits to the receiving module when not reversing a previous transfer. Use the date the credit became available. If a date is used prior to the date the credit became available, interest assesses on the debit account. If the receiving account has a due date after the date the credit became available, it may be necessary to compute interest on the credit.
32	700	702	822	24	Reverse a prior manual transfer of a lump sum credit. Use the same dates that are being reversed (the TC 702 date must match the TC 700 date, the TC 822 date must match the TC 820 date).
33	706	701	821	24	Reverse a computer-generated over payment credit offset. Posted as TC 826 and TC 706. The dates of TC 826/706 will not be the same on BMF accounts.
34	706	701	700	24	Transfer a computer-generated lump sum credit (offset) when not reversing the entire amount of the computer-generated transfer. Use the TC 706 date with the TC 701. The same date should be used on the TC 700. If the due date of the receiving modules is after the date that the credit became available, interest may need to be computed.

Exhibit 21.5.8-1 (Cont. 7) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
35	706	701	821	24	Reverse a computer-generated lump sum credit transfer (offset). Use the date of the TC 706 on the TC 701 and use the date of the TC 826 on the TC 821.
36	710	712	832	48	Reverse a manually transferred credit elect. Receiving module must contain a TC 830 or TC 836. Use date of the TC 710 on the TC 712 and the date of TC 830 on the TC 832.
37	710	712	710	48	Transfer a manual credit elect to another account (for example, a spouse's account). Use the date of the TC 710 on the TC 712 and TC 710.
38	716	712	832	48	Reverse a computer-generated credit elect. The receiving module must contain a TC 830 or TC 836. The same dates must be used as the posted date. Use date of TC 716 on the TC 712 and the date of the TC 836 on TC 832.
39	716	712	710	48	Transfer a computer-generated credit elect to another account (for example, a spouse's account.) Use the TC 716 date on TC 712 and TC 710.
40	730	732	730	24	Transfer manually transferred interest on accounts. Use the TC 730 date on TC 732 and TC 730.
41	736	731	730	24	Transfer a computer-generated interest to another account. Use the TC 736 date on TC 731 and TC 730.
42	736	731	851	24	Transfer a computer-generated interest back to where it came from. Use the date of the TC 736 on the TC 731 and the date of the TC 856 on the TC 851.
43	790	792	892	24	Transfer a manually transferred overpayment from IMF to BMF or IRAF. Use the date of the TC 790 on the TC 792 and the date of the TC 896 on the TC 892.

Exhibit 21.5.8-1 (Cont. 8) (03-14-2024)
TRANSACTION CODES AND REVERSALS

Row	To Move Posted TC	Reverse Credit with TC (Debit)	Input Credit with TC (Credit)	CC ADDxx or CC ADCxx	Explanation of when to use
44	796	792	892	24	Transfer a Shared Responsibility Payment (MFT 35 and MFT 65) or a computer-generated overpayment from IMF to BMF and IRAF. Use the date of the TC 796 on the TC 792 and date of the TC 896 on the TC 892 (input a credit override indicator of "2" on both the credit and the debit side).
45	800	802	800	48	Transfer a manually input credit for withholding taxes. Use the TC 800 payment date on TC 802 and TC 800.
46	806	802	800	48	Transfer a computer-generated posted withholding tax. Use the TC 806 payment date on TC 802 and TC 800.
47	821	820	700	24	Transfer a manually transferred credit. Use the TC 821 payment date on TC 820 and TC 700.
48	840 or 846	849	848	48	Transfer a manual or computer-generated IMF or NMF refund (MFT 29, 30, 31 and 55) in whole or part. Use the TC 840 or TC 846 date on TC 849 and TC 848.
49	896	792	892	24	Transfer a computer-generated overpayment to IRAF accounts and from IMF to BMF, and MFT 29. Use the date of the TC 796 on the TC 792 and date of the TC 896 on the TC 892 (input a credit override indicator of "2" on both the credit and the debit side).
50	976	612	610	24 or 34	Transfer a payment received with a subsequent return when the return is being reprocessed to another account. Use the date of the TC 976 on the TC 612 and TC 610.
51	976	612	670	24	Transfer a payment received with a subsequent return when the receiving account has a previously posted TC 150. Use the date of the TC 976 on the TC 612 and TC 670.

