



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

21.6.1

AUGUST 16, 2023

EFFECTIVE DATE

(10-02-2023)

PURPOSE

- (1) This transmits a revised IRM 21.6.1, Individual Tax Returns, Filing Status and Exemption/Dependent Adjustments.

MATERIAL CHANGES

- (1) IRM 21.6.1.1 (IPU 23U0574 issued 05-02-2023) Corrected the program owner name to Policy and Procedures IMF (PPI).
- (2) IRM 21.6.1.1.5 (IPU 22U1042 issued 10-25-2022) Updated Correspondence Imaging System to new name Correspondence Imaging Inventory (CII). Updated throughout the IRM.
- (3) IRM 21.6.1.4.1 (IPU 22U1103 issued 11-22-2022) Added Caution regarding assignment date of TIN for Path Act Credits.
- (4) IRM 21.6.1.5.3.1 (IPU 22U0979 issued 10-03-2022) Removed RRC refunds from the 2nd Exception in paragraph 1 to clarify processing and added Advanced Child Tax Credit Payments. Also moved Reminder in 2i to 2a.
- (5) IRM 21.6.1.5.3.1 (IPU 22U1103 issued 11-22-2022) Moved 1(b) to be included in 1(a).
- (6) IRM 21.6.1.5.3.1 (IPU 23U0574) issued 05-02-2023 Corrected paragraph c to b in 1(a).
- (7) IRM 21.6.1.5.3.1 Added reminder regarding ASED to paragraph 1.
- (8) IRM 21.6.1.5.3.2 (IPU 22U1234 issued 12-20-2022) Clarified exception in paragraph 2c regarding EIP & RRC reported on Joint Returns.
- (9) IRM 21.6.1.5.3.2 (IPU 23U0574 issued 05-02-2023) Changed to state do NOT update DDBCK if only change is filing status. This is to agree with change in IRM 21.6.1.7.2.
- (10) IRM 21.6.1.5.3.2 Added instruction to determine the correct amount of EIP/RRC.
- (11) IRM 21.6.1.5.9 Added that CSRs should use account indicators to properly route bankruptcy cases.
- (12) IRM 21.6.1.6.6 (IPU 23U0574 issued 05-02-2023) Added information regarding assistance available for filing Form W-7.
- (13) IRM 21.6.1.6.6 (IPU 23U0579 issued 05-03-2023) Added make an appointment to change made in paragraph 5.
- (14) IRM 21.6.1.6.6.2 (IPU 22U1234 issued 12-20-2022) Reorganized paragraph for clarification and easier reading.
- (15) IRM 21.6.1.7.2 (IPU 22U1103 issued 11-22-2022) Added "Date Earlier Than Return" as a response in paragraph 6d.
- (16) IRM 21.6.1.7.2 (IPU 23U0574 issued 05-02-2023) Clarified the note in paragraph 1 also removed **primary** from the if/then chart in paragraph 5 pertaining to merging ITIN to SSN. Changed CC DDBCK instruction to not update if only change is filing status.

- (17) IRM 21.6.1.7.2 Added note regarding RefCr line 15 on CC DDBCK and reference to EITC Claims IRM.
- (18) Editorial changes have been made throughout IRM 21.6.1. This includes correcting links, typographical errors, improving plain language, etc.

EFFECT ON OTHER DOCUMENTS

IRM 21.6.1, Individual Tax Returns, Filing Status and Exemption/Dependent Adjustments, dated September 01, 2022 (effective 10-03-2022) is superseded. This IRM incorporates the following IRM Procedural Updates(IPU): IPU 22U0979 issued 10-03-2022; IPU 22U1042 issued 10-25-2022; IPU 22U1103 issued 11-22-2022; IPU 22U1234 issued 12-20-2022, IPU 23U0574 issued 05-02-2023; and IPU 23U0579 issued 05-03-2023.

AUDIENCE

All employees performing account work.

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Wage and Investment Division

21.6.1

Filing Status and Exemption/Dependent Adjustments

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21.6.1.1
(05-02-2023)
Programs Scope and Objectives

- (1) **Purpose:** This IRM covers information on Individual Tax Returns, Filing Status and Exemption/Dependent Adjustments.
- (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) **Program Owner:** Policy and Procedures IMF (PPI), Accounts Management, Wage and Investment (WI).
- (5) **Primary Stakeholders:** The primary stakeholders are organizations that Accounts Management collaborates with; for example: Return Integrity & Compliance Systems (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.

21.6.1.1.1
(10-01-2017)
Background

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

21.6.1.1.2
(10-01-2019)
Authority

- (1) Refer to IRM 1.2.1.13, Policy Statements for Customer Account Services Activities, for information.
- (2) 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 IRS employees. The public as a whole is our customer, not just delinquent taxpayers. Our customers expect us to promote voluntary compliance by ensuring that all promptly pay their fair share. This information can be found in IRM 1.2.1.6.2, Policy Statement 5-2, Collecting Principles.

21.6.1.1.3
(10-01-2017)
Responsibilities

- (1) The Wage and Investment Commissioner 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.

21.6.1.1.4
(10-01-2017)
Program Controls

- (1) **Program Reports:** The program reports provided in this IRM are for identification purposes for the Accounts Management Contact Representatives (CR) and Tax Examiners (TEs). For reports concerning quality, inventory, aged listing, refer to IRM 1.4.16, Accounts Management Guide for Managers. Aged listings can also be viewed by accessing Control Data Analysis, Project PCD, are 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 refer-

enced 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.

21.6.1.1.5
(10-25-2022)

Acronyms

- (1) The information below is a list of commonly used acronyms used throughout 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 Automated Technologies
 - IDRS - Integrated Data Retrieval System
 - IMF - Individual Master File
 - MFT - Master File Tax
 - TC - Transaction Code
- (2) For a comprehensive listing of any IRS acronyms, refer to the *Acronym Database*.

21.6.1.1.6
(10-01-2017)

Related Resources

- (1) Refer to IRM 1.4.16.1.6, Related Resources, for information on related resources that impact internal controls.
- (2) The IRS adopted the Taxpayer Bill of Rights (TBOR) in June 2014. 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 Accordance with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights FAQs*.

21.6.1.2
(07-09-2019)

Filing Status and Exemption/Dependent Adjustments Overview

- (1) This section provides information on changes made to filing status and exemptions/dependents, usually after a tax return has been filed. It is designed to assist in making the appropriate changes to a taxpayer's return, evaluate each situation and decide if an adjustment is needed to the taxpayer's filing status and/or exemptions/dependents. Because of inflation, the amount allotted for each filing status usually increases yearly. Exemption amounts also increased yearly until tax year 2018, when they were suspended due to the Tax Cuts and Jobs Act (TCJA) of 2017. For tax years 2018-2025, dependents may be claimed to meet credit eligibility.
- (2) For 2017 and prior, there are two types of exemptions:
 - Personal
 - Dependency

21.6.1.3
(10-01-2002)

What Are Filing Status Changes?

- (1) A taxpayer may file an amended return to change the filing status claimed on the original return. Changes may involve the following:
 - From Married Filing Separately (MFS), Single, or Head of Household (HOH) to Married Filing Joint (MFJ), refer to IRM 21.6.1.4, Filing Status Research, and IRM 21.6.1.4.1, Married Filing Separate, Single, or Head

- of Household to Married Filing Joint Research
- From MFJ to MFS, Single or HOH, refer to IRM 21.6.1.5.5, Married Filing Joint to Married Filing Separate, Single, or Head of Household Procedures
- Other changes, such as Qualifying Surviving Spouse (QSS) with dependent child

21.6.1.4
(09-14-2020)
Filing Status Research

- (1) The filing status for the original return can be found using Command Codes (CC) TXMOD, RTVUE, TRDBV, and IMFOLE.
- (2) If the filing status was changed during initial processing due to a Taxpayer Identification Number (TIN) related math error, consider a filing status correction if the taxpayer responds to the TIN issue.

Example: The filing status was changed from Married Filing Joint to Single, during original processing, because the taxpayer did not provide the correct TIN for the spouse.

Refer to IRM 21.6.1.7, Command Code DUPED and DDBCK, and IRM 3.13.5, Individual Master File (IMF) Account Numbers, and IRM 21.5.4.5.3, Processing Responses to Math Error Notices, for additional information.

Caution: Prior to release of any tax information to a taxpayer or the taxpayer's representative, appropriate disclosure authentication must be made. For additional information, refer to IRM 21.1.3.2, General Disclosure Guidelines.

- (3) To determine if an international filing status change is allowable, refer to IRM 21.8.1, IMF International Adjustments.
- (4) Due to the Tax Cuts and Jobs Act (TCJA), for tax years 2018 - 2025 there are no personal or dependency exemptions. For 2017 and prior, the following apply:
 - Personal exemptions are limited to the taxpayer and the taxpayer's spouse.
 - Dependency exemptions are for anyone else the taxpayer can properly claim as a dependent on a return.
 - The amount for one personal exemption and one dependency exemption is the same.
- (5) Generally, filing status is determined by marital status on the last day of the calendar year.
- (6) Filing status affects the standard deduction and the tax rate. Refer to IRM 4.19.14.6.4, EITC - Filing Status, for the guidelines to determine each filing status.
- (7) A parent of a kidnapped child may qualify to file Head of Household (if the parent would otherwise have been entitled to claim the dependent if there had been no kidnapping) or Qualifying Surviving Spouse (QSS) with Dependent Child. Refer to Publication 501, Dependents, Standard Deduction and Filing Information, for additional information.
- (8) Refer taxpayers to the Taxpayer Advocate Service (TAS) when the contact meets TAS criteria, and you can't resolve the taxpayer's issue the same day.

Refer to IRM 13.1.7, Taxpayer Advocate Service (TAS) Case Criteria. The definition of same day is within 24 hours. Same day cases include cases you can completely resolve in 24 hours, as well as cases in which you have taken steps within 24 hours to begin resolving the taxpayer's issue. Do not refer same day cases to TAS unless the taxpayer asks to be transferred to TAS and the case meets TAS criteria. Refer to IRM 13.1.7.5, Same-Day Resolution by Operations. When you refer cases to TAS, prepare Form e-911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), via AMS or Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), if AMS is not available.

21.6.1.4.1
(11-22-2022)
**Married Filing Separate,
Single, or Head of
Household to Married
Filing Joint Research**

- (1) Married taxpayers who previously filed as Married Filing Separate (MFS), Single, or Head of Household (HOH) may file a married filing joint return within three years from the due date of the original return without regard to extensions, provided the IRS did not mail either spouse a notice of deficiency for which a petition was filed timely in the U.S. Tax Court, and neither spouse has commenced a suit, or entered into a closing agreement, or offer-in-compromise. If married taxpayers file a MFJ return after petitioning the Tax Court from a notice of deficiency, contact Chief Counsel via your Planning and Analyst contact.

Note: Refer to IRM 25.6.1.9.4.4, Joint Return after Separate Return, for specific information regarding separate to joint returns and the Assessment Statute Expiration Date (ASED).

- (2) To establish a joint name line, a Taxpayer Identification Number (TIN) is needed for both spouses. Acceptable TINS include a Social Security Number (SSN), Individual Taxpayer Identification Number (ITIN) or Internal Revenue Service Number (IRSN). For information on establishing an Internal Revenue Service Number, refer to IRM 3.13.5.75, When Internal Revenue Service Numbers (IRSNs) are Needed.

Caution: When claiming the American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC), Earned Income Credit (EIC), and Credit for Other Dependents (ODC), also known as PATH related credits, the TIN must be assigned by the due date, or extended due date, of the original return.

21.6.1.5
(09-14-2020)
**Filing Status Change
Procedures**

- (1) Follow these procedures for filing status changes. **Disallow** filing status change if the spouses are not eligible to switch the filing status from married filing separate to married filing joint status and send the appropriate certified "C" letter (i.e., Letter 105C). Refer to IRM 25.6.1.10.2.10.2, Joint Returns, for statute information. Include appeal rights in the "C" letter. See IRM 21.5.3.4.6.1, Disallowance and Partial Disallowance Procedures.
- (2) Update CC ENMOD on all filing status changes. Refer to IRM 3.13.5.120.10, Inputting Name Changes for Married Filing Jointly (MFJ) Taxpayers.
- (3) In all cases, when an exemption and/or credit requiring Taxpayer Identification Number (TIN) validation is being allowed/removed due to a filing status change, use either Command Code (CC) DUPED or CC DDBCK to update the Duplicate TIN database. Refer to IRM 21.6.1.7, Command Code DUPED and DDBCK.

- (4) Filing status changes may impact the Premium Tax Credit (PTC), refer to IRM 21.6.3.4.2.12, Premium Tax Credit. Terms used for PTC:
- Excess Advance Premium Tax Credit Repayment - Amount of additional tax liability the taxpayer must pay with their tax return.
 - Premium Tax Credit - Amount of premium tax credit the taxpayer is entitled to receive as a refundable credit on their tax return after reconciling the total premium tax credit with advance premium tax credit.
 - Advance Premium Tax Credit (APTC) - Amount of advance premium tax credit paid to the insurer on behalf of covered individuals in the tax household.
 - Total Premium Tax Credit - Full amount of premium tax credit the taxpayer is entitled to receive without considering APTC paid.
 - Excess Advance Payment Above Limitation - When the additional tax limitation is applied, amount of excess advance payment the taxpayer is not required to repay.
- (5) When changing the filing status (Single, Head of Household (HOH), Qualifying Surviving Spouse (QSS), Married Filing Separate (MFS), Married Filing Joint (MFJ)), use the table below to determine potential impact to PTC. When adding or deleting exemptions, refer to IRM 21.6.1.6, Exemption/Dependent Procedures.

Current Filing Status?	New Filing Status?	Is one of the 5 PTC data elements present on Master File? (Refer to IRM 21.6.3.4.2.12.7, Adjusting the Account)	Data element present is PTC or Excess Advance PTC Repayment or Either?	Potential Impact to PTC based on FS change ONLY?
Single	HOH/QSS/MFJ	Yes	PTC (credit)	No
Single	HOH/QSS/MFJ	Yes	Excess Advance PTC Repayment (tax)	Yes, if amount is present in <i>Excess Advance Payment Above Limitation</i> data element
Single/ HOH/ MFJ/ QSS	MFS	Yes	Either	Yes
Any	Any	No	N/A	No
HOH	Single/MFJ/ QSS	Yes	PTC	No
HOH	Single	Yes	Excess Advance PTC Repayment	Yes
HOH	MFJ/QSS	Yes	Excess Advance PTC Repayment	No
MFJ	Single/HOH/ QSS	Yes	PTC	No
MFJ	Single	Yes	Excess Advance PTC Repayment	Yes

Current Filing Status?	New Filing Status?	Is one of the 5 PTC data elements present on Master File? (Refer to IRM 21.6.3.4.2.12.7, Adjusting the Account)	Data element present is PTC or Excess Advance PTC Repayment or Either?	Potential Impact to PTC based on FS change ONLY?
MFJ	HOH/QSS	Yes	Excess Advance PTC Repayment	No
MFS	Single/HOH/MFJ/QSS	Yes	PTC	No
MFS	Single	Yes	Excess Advance PTC Repayment	Yes
MFS	HOH/MFJ/ QSS	Yes	Excess Advance PTC Repayment	No
QSS	Single/HOH/MFJ		PTC	No
QSS	Single		Excess Advance PTC Repayment	Yes
QSS	HOH/MFJ		Excess Advance PTC Repayment	No

21.6.1.5.1

(10-01-2010)

“No Consideration”**Filing Status Change**

(1) “No Consider” the change to married filing joint status:

If either taxpayer	And	Then
Received an examination 30-day letter	Requested an Appeals review for the period (Denoted by an open Transaction Code (TC) 420 with a Status Code 80 or 81 which indicates the taxpayer’s case is in Appeals)	Send the appropriate “C” letter (i.e., Letter 916C). Forward to Appeals.

21.6.1.5.2

(10-01-2010)

Returns With Missing Information

(1) Return the claim to the taxpayer with the appropriate “C” letter, requesting the necessary information if:

- The amended return is not signed by both taxpayers
- Someone other than an executor, administrator, or surviving spouse files an amended married filing joint return for a deceased taxpayer
- Supporting forms, schedules, or documents are missing

Caution: Numbered returns and Statute Imminent cases are never returned to the taxpayer, refer to IRM 25.6.1, Statute of Limitations Processes and Procedures.

Note: Release the “-A” freeze. Refer to IRM 21.5.6.4.2, -A Freeze.

Note: For Correspondence Imaging Inventory (CII) cases, refer to IRM 21.5.1.5.6, Incomplete CII Claims.

- (2) If there is a tax increase/credit decrease, adjust the account and send a letter to the taxpayer requesting the missing information. Refer to IRM 21.5.3.4.1, Tax Increase or Credit Decrease Processing, for additional guidance.

21.6.1.5.3
(06-21-2022)
**Processing Married
Filing Separate, Single,
or Head of Household to
Married Filing Joint
Adjustments**

- (1) Research for the filing of both returns. It is not necessary to request the returns if the married filing joint (MFJ) return information can be verified from research. To determine if the request for a joint election is valid, refer to IRM 25.6.1.9.4.4(1), Joint Return After Separate Return.
- (2) If there is an open Transaction Code (TC) 420 or an open “-L” freeze on either spouse’s account, follow IRM 21.5.3.4.7, Processing Claims and Amended Returns with Examination Involvement.

Note: When an open TC 420 with status code 80 or 81 is on the account, refer to IRM 21.6.1.5.1, No Consideration Filing Status Change.

- (3) If either account has unresolved Taxpayer Protection Program (TPP) and/or MFT 32 issues, refer to IRM 21.5.6.4.9.1, E- Freeze Procedures for Unresolved TPP Issues.
- (4) Math verify the MFJ return and recompute the tax, if necessary. Assess or recompute the estimated tax penalty based on joint liability. Refer to IRM 20.1.3.3.1.1.2, Joint Return After Filing Separate Return(s).
- (5) Domestic married filing separate to married filing joint claims are processed under category code “SPJT” and program code 40056. If the Separate to Joint claim is not scanned into CII as “SPJT”, update the category code.
- (6) Update the DUPOL database. Refer to IRM 21.6.1.7, Command Code DUPED and DDBCK, for additional information.
- (7) Update the secondary taxpayer’s address if there is a change on the joint return.

Exception: Do not update if one of the following apply:

- The primary taxpayer filed a later return with a different spouse
 - The primary taxpayer filed a later return with a filing status of single, head of household, qualifying surviving spouse, or married filing separate indicating a different spouse
 - The secondary taxpayer has had an address update within the previous 52 cycles
- (8) Consistent with *Obergefell v. Hodges*, 135 S. Ct. 2584, lawfully married same-sex couples filing joint or separate returns are married for all federal tax purposes.

Reminder: **DO NOT** request **ANY** additional documentation from the taxpayer to validate the marriage, such as proof or date of marriage. The taxpayer is not required to provide **ANY** validity for the marriage. Process the claim following normal procedures.

- (9) Registered Domestic Partnerships (RDPs), civil unions and other similar formal relationships not recognized as marriage under state law are not recognized as marriages for federal tax purposes.

Caution: Do **NOT** confuse Registered Domestic Partner (RDP) and Community Property Claims with lawfully married same-sex couples. Refer to IRM 21.6.1.5.10, Registered Domestic Partners and Community Property Procedures.

- (10) Legally married same-sex couples must generally file their returns with either the joint or separate filing status.
- (11) All items required on an original return, amended return, adjusted return, or claim for credit or refund that are affected by the filing status must be adjusted consistent with the status reported on the return or claim. If the claim is incomplete or additional information is needed, refer to IRM 21.5.1.5.6, Incomplete CII Claims.

Exception: Leave Economic Impact Payment (EIP) or Recovery Rebate Credit (RRC) refunds on the original posting account. If the MFJ return creates additional RRC, adjust on the joint account. Be sure to net the total and refund only the additional RRC created by the joint return.

- (12) For any statute related issues, refer to IRM 21.6.1.5.4, "Statute of Limitations" Procedures for Married Filing Separate, Single, or Head of Household to Married Filing Joint.
- (13) Additional information is located on the IRS website.

21.6.1.5.3.1
(10-02-2023)

**Married Filing Separate,
Single, or Head of
Household to Married
Filing Joint and Both
Taxpayers Previously
Filed**

- (1) If both taxpayers previously filed a married filing separate, single, or head of household return and are now filing married filing joint, adjust the secondary account first. Take the following action on the secondary account:

Exception: If either account has unresolved TPP and/or MFT 32 issues, refer to IRM 21.5.6.4.9.1, E- Freeze Procedures for Unresolved TPP Issues.

Exception: Leave EIP refunds and Advance CTC payments on the original posting account. Adjust the RRC, as needed, on the joint account. Advance CTC payments on both accounts are used in the Form 1040 Schedule 8812, Credits for Qualifying Children and Other Dependents, reconciliation.

Reminder: The filing of a married filing joint return subsequent to separate return(s) may affect the Refund Statute Expiration Date (RSED) and/or the Assessment Statute Expiration Date (ASED). Refer to procedures in IRM 21.6.1.5.4, **Statute of Limitations** Procedures for Married Filing Separate, Single, or Head of Household to Married Filing Joint.

- a. Back out the tax, income, item reference fields, estimated tax penalty (Transaction Code (TC) 170), shared responsibility payment, if applicable, and any manual restrictions. When backing out an estimated tax penalty, use TC 171 with Reason Code (RC) 065 with Penalty Reason Code (PRC) 016 in the 4th position. If **no** estimated tax penalty was previously assessed, refer to (b) below. Input a Priority Code (PC) "1" on the adjustment if an -L freeze is present on the secondary module. If applicable, subtract any tax offsets from the withholding. Input item reference code 999 for zero (.00) to prevent an Examination Multiple Filer case.

Note: If the module contains a TC 240, contact the area that assessed the penalty. They determine if it can be removed. See IRM 20.1.5.3.2(4), Common Features of Accuracy-Related and Civil Fraud Penalties.

- b. If an estimated tax penalty was **not** backed out per (a) above, input a TC 170.00 when decreasing withholding and/or transferring timely payments from the module and tax is also being adjusted when there is not a Computer Condition Code (CCC) "P" present.
 - c. You **MUST** use a Hold Code (HC) "4" to prevent erroneous refunds or notices. If multiple adjustments are needed because of the number of credit reference numbers use a HC "4" on each adjustment.
 - d. Input TC 971 with Action Code (AC) 001 to cross reference the primary taxpayer's account. Use the secondary taxpayer's RET-RCVD-DT on CC TXMOD as the Transaction Date for the TC 971.
 - e. Transfer any available credit/payments (ie., TC 610, 660, 670, 710, 716, etc.) to the primary module. If a refundable credit was involved, determine if taxpayer is eligible for the credit. If the account has a First-Time Homebuyer Credit (FTHBC) entity (found on CC IMFOLF), refer to IRM 21.6.4.4.17.4, Manually Adjusting the Recapture Amount.
 - f. Move extensions to the primary module by inputting TC 460 via CC REQ77 with the extension due date. Use the original due date as the TC 460 transaction date.
 - g. Transfer any refund previously issued using TC 848 and TC 849, as detailed in IRM 21.5.2.4.23.10, Moving Refunds, and IRM 21.4.6.5, Refund Offset Procedures.
 - h. Update CC DDBCK by correcting the filing status and deleting all the dependents/exemptions.
- (2) After adjusting the secondary account, following the procedures above, take the following actions on the primary account:
- a. Correct the entity on the primary account to reflect the married filing joint information. Refer to IRM 3.13.5.120.10, Inputting Name Changes for Married Filing Jointly (MFJ) Taxpayers, and IRM 3.13.5.120, Correcting a Taxpayer's Name.

Reminder: When adding the secondary taxpayer's name, update the entity as shown on the Form 1040-X, *Amended US Individual Tax Return*. Married filing joint taxpayers do not always use/ have the same last name. Failure to update the entity to reflect the married filing joint filing information could result in an erroneous refund. Refer to IRM 21.4.5.6, Category D Erroneous Refund Procedure.

Reminder: The filing of a married filing joint return after separate return(s) may affect the Refund Statute Expiration Date (RSED) and/or the Assessment Statute Expiration Date (ASED). Refer to pro-

cedures in IRM 21.6.1.5.4, Statute of Limitations Procedures for Married Filing Separate, Single, or Head of Household to Married Filing Joint.

- b. Do not update CC DDBCK if the only change is for the filing status. Manually validate the added TIN via CC INOLE and/or ENMOD. If credits are involved, update CC DDBCK with the correct filing status and add the secondary taxpayer and dependents. CC DDBCK will not allow **ONLY** filing status changes. Adjust the primary module as necessary, using a HC "1" when moving a refund from the secondary account to the primary account. You **MUST** use a HC "1" to prevent an erroneous refund while waiting for the TC 849 to post. If a refund is NOT being moved/ transferred from the secondary module to the primary module, use a HC "0" or the applicable hold code. Refer to IRM 21.5.2.4.15, Rules on Hold Codes (HC).
- c. If health care responsibility is addressed on the married filing joint return for tax years 2014-2018, such as an entry on Form 1040-X, line 9, remove the Shared Responsibility Payment (SRP) from the separate module. If the SRP is not addressed, or not reported on a DUPF return, back out the SRP on the separate return and assess on the married filing joint return. For additional information on SRP, refer to IRM 21.6.4.4.20.3, Shared Responsibility Payment Overview.
Example: \$95 was originally reported on the separate account and Form 1040-X column A shows \$95 but no entry in column B or column C, the married filing joint account needs to reflect a \$95 SRP. However, if Form 1040-X column C shows \$0, abate the SRP, or increase or decrease the SRP if column C shows an increase or decrease.
- d. To research and calculate the Premium Tax Credit (PTC), refer to IRM 21.6.3.4.2.12.6, Premium Tax Credit Amended Returns. The Form 8962, Premium Tax Credit (PTC) may or may not be attached.
- e. Use blocking series 05 for electronically filed tax returns, 00 when making an adjustment using the original return as the source document, or 18 when adjustment should be associated with the original return.

Caution: When the amended return includes self-employment for the secondary taxpayer (IRN 879), use a posting delay code (PDC) on the joint account adjustment to allow entity updates to post. See IRM 3.12.179.67.2, UPC 169 Reason Codes 4-8, for details.

Note: If the adjustment results in a math error, refer to IRM 21.5.4.5.1, Setting the Initial Math Error Action.

- f. Refer to IRM 21.6.3.4.2.7, Earned Income Tax Credit (EITC), for any necessary EITC changes.
- g. Any adjustment involving a married filing joint return after filing a married filing separate return requires a manual estimated tax penalty computation and adjustment, even if there is no change to the penalty. Input TC 170.00, per IRM 20.1.3.3.1.1.2, Joint Return After Filing Separate Return(s).
- h. If an offset occurred on the secondary module, input TC 971 AC 173 (using the claim received date) to cross reference the secondary taxpayer's account. If the withholding is less than the offset, correct the withholding to zero. Correct the refund amount on the joint return to reflect the previous offset.

- i. When adjusting the primary module and transferring a refund from the secondary module, input a TC 470 with Closing Code 93 on the primary module to hold the balance due notice generated from the TC 849. If your adjustment included a HC 1, as detailed above, you must open a monitor control base and release the -K freeze with a 290.00, after the adjustment posts.
- j. Input the TC 971 AC 030 on both modules when needed, as instructed in IRM 21.5.2.4.23.10, Moving Refunds.

21.6.1.5.3.2
(10-02-2023)

**Married Filing Separate,
Single, or Head of
Household to Married
Filing Joint and One
Taxpayer Did Not
Previously File**

- (1) If one spouse did not previously file a return for the year of the amended return, adjust the established account of the taxpayer that has filed to reflect the amended married filing joint return.
- (2) Take the following actions on the established (now referred to as the primary) account:
 - a. Correct the entity on the primary account to reflect the married filing joint filing information. Refer to IRM 3.13.5.120.10, Inputting Name Changes for Married Filing Jointly (MFJ) Taxpayers, and IRM 3.13.5.120, Correcting a Taxpayer's Name.

Reminder: When adding the secondary taxpayer's name, update the entity as shown on the Form 1040-X. MFJ taxpayers do not always use/have the same last name. Failure to update the entity to reflect the MFJ filing information could result in an erroneous refund. Refer to IRM 21.4.5.6, Category D Erroneous Refund Procedures.

- b. To research and calculate the Premium Tax Credit (PTC), refer to IRM 21.6.3.4.2.12.6, Premium Tax Credit Amended Returns. The Form 8962, Premium Tax Credit (PTC), may or may not be attached.
- c. Transfer any available credit (TC 710, TC 716, TC 700), payments, or extension to the primary module.

Exception: Leave EIP or RRC refunds on the original posting account. If the MFJ return changes the amount of allowable RRC, adjust on the joint account. Be sure to determine the correct amount of EIP/RRC and refund only the additional RRC created by the joint return.

- d. Determine if an estimated tax penalty needs to be assessed or recomputed using the married filing joint liability. Refer to IRM 20.1.3.3.1.1.2, Joint Return After Filing Separate Return(s).
- e. Use blocking series 05 for electronically filed tax returns, 00 when making an adjustment using the original return as the source document, or 18 when adjustment should be associated with the original return.

Caution: When the amended return includes self-employment for the secondary taxpayer (IRN 879), use a post delay code on the joint account adjustment to allow entity updates to post. See IRM 3.12.179.67.2, UPC 169 Reason Codes 4-8, for details.

- f. Do not update CC DDBCK if the only change is for the filing status. Manually validate the added TIN via CC INOLE and/or ENMOD.

Note: If the adjustment results in a math error, refer to IRM 21.5.4.5.1, Setting the Initial Math Error Action.

- (3) Take the following actions, if applicable, on the account of the taxpayer who did not previously file:
- If a Transaction Code (TC) 140 is present on the module, input TC 594 Closing Code 084 using CC FRM49
 - If a TC 971, Action Code 010 (generates a TC 976) is present, input a TC 971 Action Code 002 using CC REQ77 to cross reference the married filing joint module and release the E- freeze
- (4) If the ASED is questionable, refer to IRM 21.6.1.5.4, "Statute of Limitations" Procedures for Married Filing Separate, Single, or Head of Household to Married Filing Joint, and IRM 25.6.1.9.4.4, Joint Return after Separate Return.

21.6.1.5.4
(11-26-2019)

**"Statute of Limitations"
Procedures for Married
Filing Separate, Single,
or Head of Household to
Married Filing Joint**

- (1) Care must be taken when processing statute year claims to prevent erroneous abatements and to prevent the generation of RSED-STAT transcripts. Refer to procedures in IRM 21.5.3.4.3, Tax Decrease and Statute Consideration. Substitute for Return (SFR), refer to IRM 21.5.3.4.10, Returns Prepared Under IRC 6020(b).

Reminder: Verify the claim received date or the postmark date to determine if the claim for refund was timely filed. When adjusting the account input either the timely filed claim received date or timely post mark date in the "RFSCDT" field and use override code "S".

- (2) The filing of a married filing joint return after separate return(s) may affect the Assessment Statute Expiration Date (ASED). The IRS has at least one year from the actual filing of a married filing joint return to make an assessment, per IRC 6013(b)(4).

Reminder: Updating the ASED does not update the Refund Statute Expiration Date (RSED).

- (3) Determine if the extended ASED is imminent (within 90 days). Refer to IRM 25.6.1.9.4.4, Joint Return After Separate Return, for specific instructions on conditions which extend the ASED.
- (4) For statute of limitations Issues refer to IRM 25.6.1.5, Basic Guide for Processing Cases with Statute of Limitations Issues.

If the ASED	And	Then
Is imminent (within 90 days)	No TC 560 posted on the account	Update the ASED. Refer to IRM 25.6.1.9.4.4, Joint Return After Separate Return, for specific instructions to extend the ASED.
Is imminent (within 90 days) of the extended ASED and claim is for a tax increase	TC 560 posted on account	Refer claim to the Statute Unit for manual assessment, follow procedures in IRM 25.6.1.9.9, Procedures for Processing Amended Returns - in General.

Reminder: Use Document Locator Number (DLN) blocking series "70" for the DLN-CD on CC REQ77 to avoid an unpostable condition.

21.6.1.5.5
(02-04-2022)

**Married Filing Joint to
Married Filing Separate,
Single, or Head of
Household Procedures**

- (1) Married taxpayers may file separate returns such as married filing separately, head of household, or single on or before the due date of their originally filed married filing joint return. If a taxpayer changes filing status from Married Filing Joint (MFJ) or Married Filing Separate (MFS) to Single (S) or Head of Household (HOH), the taxpayer **MUST** clearly be eligible, refer to Publication 501, Dependents, Standard Deduction, and Filing Information, and Publication 17, Your Federal Income Tax (For Individuals).

Exception: A personal representative may revoke an election to file a married filing joint return previously made by the surviving spouse alone. This is done by filing a separate return for the decedent within one year from the due date of the return of the surviving spouse (including any extension). Refer to Publication 559, Survivors, Executors, and Administrators.

- (2) Disallow all claims postmarked after the due date, or the extended due date, except:
- Items listed in IRM 21.6.1.5.7, Married Filing Joint or Married Filing Separate is Invalid or Filed with Incorrect Status
 - Taxpayers whose marriage was annulled or the subject of a court order holding that no valid marriage ever existed

Note: If the claim is unallowable and there is an E- freeze on the account, follow procedures in IRM 21.5.6.4.9(2), E- Freeze.

- (3) For claims that meet the exceptions in paragraph 2 above, if the taxpayer does not provide the proper documentation such as court documents showing the marriage was not valid, copy of divorce decree or separate maintenance, documents verifying the taxpayers did not live together during the last six months, such as a lease agreement, utility bills, etc., refer to IRM 21.5.3.4.6.3, No Consideration Procedures.
- (4) If the taxpayer has not allocated a previously received refund, return the claim to the taxpayer, and request the allocation. The IRS cannot make the allocation determination of a previously received refund. See the Exception in paragraph 2 of IRM 21.6.1.5.8, Allocating Married Filing Joint Cases, for more information.
- (5) When one spouse on a married filing joint return claims their signature was forged, refer the claim to Exam for deficiency procedures. Refer to IRM 21.5.1.5, Correspondence Imaging Inventory (CII) Procedures. **ONLY** refer claims to Exam when the additional assessment (net tax increase/credit

decrease does not include withholding. Do not send tax decreases or credit increases to Exam, Accounts Management (AM) has the authority to work these cases. If the claim does not meet Exam criteria above, refer to IRM 21.6.1.5.7, Married Filing Joint or Married Filing Separate is Invalid or Filed with Incorrect Status.

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21.6.1.5.5.1
(09-14-2020)
**Allowable Claims
Procedures**

- (1) Adjust the married filing joint account income, deductions, tax, and credit amounts to reflect the separate return entries. Be aware of the rules governing Married Filing Separate (MFS) restrictions. Refer to Publication 17, Your Federal Income Tax (For Individuals), for information on:
 - Itemized deductions
 - Child and Dependent Care Credit
 - Earned Income Tax Credit
 - Credit for the Elderly
 - Taxable Social Security benefits
 - Net operating loss
 - Schedule D Loss
 - Premium Tax Credit
- (2) Do the following:
 - a. Request records of both taxpayers' accounts. Use Command Code (CC) RTVUE or CC TRDBV, if possible, in lieu of requesting the return.
 - b. Math verify and recompute the tax and credits, as necessary, on each return.
- (3) Update CC ENMOD:
 - a. Delete the secondary spouse's name and, if applicable, delete the Taxpayer Identifying Number (TIN).

Reminder: **DO NOT** delete the secondary TIN on Married Filing Separately (MFS) accounts.
 - b. Correct the filing status.
 - c. Use a posting delay code (PDC) "1" if there is secondary Self Employment (SE) income on the married filing joint (MFJ) account belonging to the spouse being backed out of the account.
- (4) Adjust the MFJ account via the Integrated Data Retrieval System (IDRS), and:
 - a. Use item reference number (IRN) 887 to change the number of exemptions for tax years 2017 and prior.
 - b. Reverse/recover any previous Earned Income Tax Credit (EITC) to the amount allowable for the new filing status:

If	Then
Only one taxpayer is requesting the change	Recover the EITC from the taxpayer filing the claim. It becomes a civil matter between spouses in the event they do not agree.
Both taxpayers are filing the claim	Recover the EITC using the procedures in IRM 21.6.3.4.2.7.11, EITC and Filing Status Changes.

- c. Input Transaction Code (TC) 170 on the primary account when decreasing withholding and/or transferring timely payments from the module and tax is also being adjusted when there is not a Computer Condition Code (CCC) "P" present.
- d. Determine if a recomputation and/or adjustment for the Estimated Tax (ES) penalty is needed if a TC 17X with an amount (other than .00) is present on the primary account. Refer to IRM 20.1.3.2.2, Manual Penalty Adjustments.

- e. Allocate payments evenly, unless the taxpayer indicates otherwise. Transfer the secondary taxpayer's share of the MFJ credit to the married filing separate account. Per the taxpayer(s) allocation transfer any refund previously issued using TC 848 and TC 849. Refer to IRM 21.4.6.5, Refund Offset Procedures, and IRM 21.5.2.4.23.10, Moving Refunds.
 - f. Input the back out adjustment using a Hold Code (HC) "1" when moving a refund from the primary account to the separate primary account. If a refund is NOT being moved/transferred from the primary account to the separate primary account use a HC "0" or the *applicable hold code*.
- (5) Issue a manual refund in the primary spouse's name **only if** the back out adjustment creates a credit balance for the primary taxpayer. On CC RFUND, input the applicable offset Bypass Indicator (BPI), refer to IRM 21.4.6.4.2.1, TOP Offset Bypass Indicator (BPI).
 - (6) If applicable, forward the secondary taxpayer's return to Submission Processing, for processing as an original unnumbered return, using local routing procedures. For more information, refer to IRM 21.5.1.5.5, Processing/Reprocessing CII Tax Returns.

21.6.1.5.6
(09-14-2020)
**Only One Spouse
Requesting Filing Status
Change**

- (1) If only one taxpayer is requesting the change from married filing joint to married filing separate, single or head of household, and the other taxpayer has income and/or credit:
 - a. Prepare a return for the secondary taxpayer. Complete the entity, separate income, and tax information on Form 1040.
 - b. Edit the itemized or standard deduction to correspond with each spouse's deduction. If one spouse itemizes, so must the other spouse.
 - c. Edit the withholding to reflect any previously refunded or offset amounts.

Caution: You must back out offsets if prior to the Return Due Date (RDD).

 - d. Write the employee's name and/or employee number on the signature line of the return being input. State the reason for the return (e.g., "Establish separate entity").
 - e. Forward the unnumbered Form 1040 to Submission Processing for input as an original return. Refer to IRM 21.5.2.4.23.11, Reprocessing "Dummy" Returns.

21.6.1.5.7
(05-02-2022)
**Married Filing Joint or
Married Filing Separate
is Invalid or Filed with
Incorrect Status**

- (1) The married filing joint election is potentially invalid if the individuals were not legally married, did not consent to the joint return, or if the return contains a forged signature.

Note: When speaking to the taxpayer on a Toll-free line, you realize the taxpayer's request requires written documentation/substantiation, refer to IRM 21.5.2.4.3(5), Adjustments Requiring An Amended Return or Taxpayer Documentation. Filing Status adjustments for invalid returns or forged signatures are not allowed under Oral Statement Authority. Written documentation, such as a corrected return, if the taxpayer has a filing requirement, or a statement signed and sworn under penalty of perjury is required.
- (2) Allow claims if the marriage was not legal for federal tax purposes (even if the claim is received after the due date) if the following is present:

- Verification, such as court documents showing the marriage was not valid for the tax period involved: copy of divorce decree or separate maintenance; documents verifying that the taxpayers did not live together during the last six months of the tax year, such as a lease agreement, utility bills, etc.; or an affidavit, signed and sworn under penalty of perjury, stating the marriage does not exist.
- Allocation of all return income, credits, and payments, refer to IRM 21.6.1.5.8, Allocating Married Filing Joint Cases.

IF	THEN
All information is not present, and the only change is to the filing status which includes allocation of income, credits and payments	Do not consider the filing status change, follow procedures in IRM 21.5.3.4.6.3, No Consideration Procedures.
All information above is not present and additional changes are requested	Do not consider the filing status change. For the married filing joint account, determine if the other issues are allowable and follow IRM 21.5.3.4, General Claims Procedures, for applicable procedures.
All information above is present	Allow filing status change, follow procedures in IRM 21.6.1.5.5.1, Allowable Claims Procedures.

Reminder: Correspondence should only be sent to the taxpayer filing the claim.

- (3) When one spouse on a married filing joint return claims they did not consent to the joint filing, or their signature was forged, refer the claim to Exam for deficiency procedures. Refer to IRM 21.5.1.5.2(5), Cases Currently Assigned in CII. ONLY refer claims to Exam when the additional assessment (net tax

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decrease does not include withholding. Do not send tax decreases or credit increases to Exam because, Accounts Management (AM) has the authority to work these cases. If the claim does not meet Exam criteria above, follow the If/Then chart below:

If	Then
The Primary taxpayer is alleging forgery,	<ul style="list-style-type: none"> Follow procedures in IRM 21.5.2.4.23, Reprocessing Returns/Documents. Do not prepare a “dummy” return. Do not attempt to “net out” any refund. Move any refund resulting from the joint return to the secondary account. When the document is received, edit the MFJ return by removing the primary taxpayer’s name, Taxpayer Identification Number (TIN) and changing the filing status from MFJ to Married Filing Separate. To avoid issuing an erroneous refund, include “O” in the return edits detailed in IRM 21.5.2.4.23.10. Edit the return with “SPC B” in the right-hand margin between the secondary TIN and PECF designation. This allows the return to bypass all UPC 147 Reason Codes except RC4. Notate “ITVA” or “AM”, as applicable in the upper left-hand corner of the return. On Form 3893, Re-Entry Document Control, include “Do not alter any taxpayer amounts. Do not issue any TPNC” in the remarks section. <p>Note:</p> <p>DO NOT CHANGE ANY TAX OR CREDITS ON THIS RETURN.</p> <ul style="list-style-type: none"> If the primary taxpayer has filed a new return, adjust the primary module, using BS 00, to reflect the new return, this includes filing status, AGI, TXI, tax and any allowable credits reported on the new return. <p>Exception:</p> <p>If the primary has not filed a new return, do not input an IRN 999.00 when backing out the return.</p> <ul style="list-style-type: none"> Remove the secondary taxpayer’s name and TIN from the primary account for the TY in question. On the secondary module, reverse the TC 594 CC 84 via FRM49, with TC 592. No action code is needed.

If	Then
The Secondary taxpayer is alleging forgery,	<ul style="list-style-type: none"> Remove the secondary taxpayer's name and TIN from the entity account for the tax period in question. Adjust the primary module by changing the filing status for the tax year of the return. <p>Note:</p> <p>DO NOT CHANGE ANY TAX OR CREDITS ON THIS RETURN.</p> <ul style="list-style-type: none"> If your case includes the original return for the secondary taxpayer, follow procedures in IRM 21.5.1.5.5, Processing/Reprocessing CII Tax Returns. On the secondary module, reverse the TC 594 AC 84 via FRM49 with a TC 592. No closing code is needed.

- (4) If an Economic Impact Payment (EIP) refund was issued from the primary account and the secondary taxpayer is claiming that the return is invalid,
- On the primary account**, refer to IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to correct the module.
 - On the secondary account**, no action is needed. The taxpayer can claim the Recovery Rebate Credit on the tax return.
- (5) If an EIP refund was issued from the primary account, the primary taxpayer is claiming that the return was invalid and the secondary taxpayer received and kept the entire EIP refund,
- On the primary account**, refer to IRM 21.6.3.4.2.13.3, Economic Impact Payments - Manual Adjustments, to correct the module
- (6) If the change from married filing separate to single is due to a clerical error and does not result in a change to tax, credits, etc., allow the change.

21.6.1.5.8
(09-03-2014)

Allocating Married Filing Joint Cases

- (1) Allocation means the taxpayer must designate/show which wages, deductions, withholding, EITC, tax liability, etc., belong to each taxpayer:
- The allocation is necessary to determine the amount of overpayment due each taxpayer
 - Rev. Rul. 74-611 indicates married taxpayers (primary and secondary) who file a married filing joint return have a separate interest in the overpayment
- (2) Return the claim to the taxpayer if a determination cannot be made because the taxpayer does not submit an allocation. Refer to IRM 21.5.1.4.3, Incomplete Inquiry.

Exception: If the married filing joint return did not result in a previously issued refund and the IRS can conclusively determine ownership of all income and payments claimed/allowed on the married filing joint return using internal information, the employee must prepare the allocation instead of rejecting the claim.

If a married filing joint return was filed	And	Then
The overpayment offset to a spouse's liability incurred before marriage to the current spouse.	The present spouse files an "Injured Spouse" claim.	An allocation is required.
The overpayment offset to a Business Master File (BMF) or Individual Master File (IMF) account of one spouse.	The other spouse files a claim.	An allocation is required.
The taxpayer is subsequently divorced.	Only one spouse files a claim.	An allocation is required.

Note: Refer to IRM 21.4.6.5.8.10, Time Period for Submitting Form 8379, for the time period for a spouse to file an "injured spouse" claim.

Reminder: For procedures for allocating liability in IRC 6015(c) cases, refer to IRM 25.15, Relief from Joint and Several Liability, and IRM 25.15.3.9, IRC 6015(f) Equitable Relief.

(3) Accept the allocations as specified below:

If	Then
The method used follows the separate tax liability formula.	Accept the allocation.
The taxpayer provides clear and convincing evidence for another allocation.	Accept the allocation.
The allocation is specified by a court order.	Accept the allocation.

(4) The separate tax method allocates liabilities by dividing the married filing joint liability into separate liabilities:

- Determine each taxpayer's separate tax liability
- Divide one taxpayer's separate tax liability by the sum of both separate liabilities to determine the ratio (.xxx) attributable to each taxpayer
- Multiply one taxpayer's ratio times the married filing joint tax to determine that spouse's share of the joint liability

(5) Subtract the taxpayer's share of the new married filing joint liability from the taxpayer's separate payments to arrive at the overpayment amount:

- The refund from the claim is limited to this amount
- The overpayment is also limited to the amount of tax actually paid by the taxpayer
- Compute the tax at the MFS rate
- Payments and deductions may be allocated differently in community property states

Note: In some community property states, wages and withholding credits are considered split 50-50 between spouses. Refer to Publication 555, Community Property.

- (6) Manually refund the proportionate share of the overpayment to the spouse filing the claim.

If	Then
An offset has occurred.	<ol style="list-style-type: none"> 1. Input a credit transfer to reverse the portion of the offset applicable to the spouse's share of the refund. 2. Use a TC 570 on the credit portion of the credit transfer. 3. Issue a manual refund. Refer to IRM 21.4.4, Manual Refunds.
All items of income and credit belong to the spouse filing the claim.	Refund the entire overpayment to that spouse.

21.6.1.5.9
(10-02-2023)
**Bankruptcy
Assessments on Married
Filing Joint Accounts**

- (1) Using account indicators, route the claim to the Collection Operations when one spouse is discharged of a tax liability in a bankruptcy proceeding and a married filing joint return was filed.

21.6.1.5.10
(10-01-2013)
**Registered Domestic
Partners and Community
Property Procedures**

- (1) Registered Domestic Partners (RDPs) must each report half of their community income. A partner who amends a previously filed return to claim a credit or refund of tax paid **must** file the amended return before the Statute of limitations expires to receive the credit or refund. Refer to IRM 25.6.1.5, Basic Guide for Processing Cases with Statute of Limitations Issues.
- (2) Form 8958, Allocation of Tax Amounts Between Certain Individuals in Community Property States, is used to allocate income for community property states. The Form 8958 can be filed electronically.
- (3) A RDP claim for refund **must** include:
- the Form 8958, **or**
 - a copy of the partner's return showing the allocation, **and**
 - a reference on the claim that the taxpayer is a RDP
- If **not**, follow the "No Consideration" procedures listed in IRM 21.5.3.4.6.3, No Consideration Procedures.
- (4) For a RDP claim with a tax increase/assessment without the documentation in (3) above, follow procedures in IRM 21.5.3.4.1, Tax Increase or Credit Decrease Processing.
- (5) If a RDP files an amended return, there is no need to verify if the other domestic partner filed a claim to reduce or claim additional income.
- (6) When adjusting the partner's account with a tax decrease, reducing withholding or previous credit claimed, input Transaction Code (TC) 170 for zero (.00) to restrict any erroneous Estimated Tax (ES) penalty assessment.

- (7) Amended returns claiming a Net Operating Loss Carryback/Carryforward as Community Property Income, refer to IRM 21.5.9.5, Carryback Processing.

21.6.1.6
(06-21-2022)
**Exemption/Dependent
Procedures**

- (1) The Tax Cuts and Jobs Act of 2017 (TCJA), enacted on Dec. 22, 2017, suspended personal and dependent exemptions for tax years beginning on January 1, 2018, and before Jan. 1, 2026. For tax years 2018-2025:
- dependents are claimed on page one of Form 1040 for credit eligibility;
 - TINs are required for dependents;
 - an individual can only be claimed as a dependent on one return per tax year;
 - adjustments for dependent changes are reflected through tax and credit changes, when applicable;
 - dependent changes are reflected on Command Code (CC) DUPED via the Dependent Status Indicator and/or EX/DP field on CC DDBCK;
 - and, even though CC TXMOD shows an exemption field, IRN 887 and RC 006 are not used for adjustments.
- (2) For tax years 2017 and prior, exemptions are claimed in the entity portion of the return. A taxpayer is allowed one exemption for each qualifying person listed on the return.
- (3) The Protecting Americans from Tax Hikes Act of 2015 (PATH) prevents some retroactive claims for the American Opportunity Tax Credit (AOTC), Earned Income Tax Credit (EITC), Child Tax Credit (CTC), Additional Child Tax Credit (ACTC), and Credit for Other Dependents (ODC), refer to IRM 21.6.3.4.2.11, American Opportunity Tax Credit, IRM 21.6.3.4.2.7.10, EITC Claims, IRM 21.6.3.4.1.24.3, Credit for Other Dependents (ODC), and IRM 21.6.3.4.1.24.4, Adjusting Child Tax Credit and/or Credit for Other Dependents.
- (4) Refer to IRM 21.6.1.7, Command Code DUPED and DDBCK, for information on updating the DUPOL database.
- (5) If an amended return is received and the taxpayer is adding or deleting an exemption/dependent, determine if there is a potential impact to the Premium Tax Credit (PTC), refer to IRM 21.6.3.4.2.12.6, Premium Tax Credit Amended Returns.
- (6) If a valid Taxpayer Identification Number (TIN) (Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)) is not provided for the primary taxpayer, the secondary taxpayer, or the dependents, refer to IRM 21.6.1.6.4, Missing or Invalid Exemption/Dependent TINs Procedures.

21.6.1.6.1
(09-01-2022)
**Determining the
Exemption/Dependent
Deduction**

- (1) For tax years 2017 and prior, a taxpayer is allowed only one exemption regardless of the number of returns on which they are listed. A dependent child may not claim their exemption when filing a return if claimed on the parent's return. Refer to IRM 21.6.1.6, Exemption/Dependent Procedures, when working on tax years 2018-2025.
- (2) A taxpayer must furnish a correct/valid Taxpayer Identification Number (TIN) for every exemption/dependent claimed. This number may be a Social Security Number (SSN), an Individual Taxpayer Identification Number (ITIN), or an Adoption Taxpayer Identification Number (ATIN). Refer to IRM 3.21.263, IRS

Individual Taxpayer Identification Number (ITIN) Real-Time System (RTS), and IRM 3.13.5.74, Assignment of Internal Revenue Service Numbers (IRSNs), for additional information.

Note: For taxpayers indicating a religious (e.g., Amish/Mennonite) or conscience-based objection to obtaining a TIN, refer to paragraphs (6), (7) and (8) below.

Reminder: If an SSN is redacted, and can be verified using Integrated Data Retrieval System (IDRS), do not request it from the taxpayer if enough specific information is available with the claim or with the various IDRS command codes (CC). Refer to IRM 21.5.3.4, General Claims Procedures.

- (3) Taxpayers are considered to have omitted a correct TIN if Social Security Administration (SSA) information indicates the social security number being used belongs to an individual who was deceased prior to the beginning of the tax year for which it is being used or if the social security number or ITIN being used does not match the name of the taxpayer based on SSA or IRS records.

Note: To substantiate that the Date of Death (DOD) is incorrect, taxpayers must provide documentation from the SSA for verification. When the documentation is provided, allow the exemption, and use CC DM1DT to add, change, or delete data to correct the DOD. Refer to IRM 2.3.25, Command Codes DM1DT and DTVUE. CC DM1DT overrides an SSA DOD. After using CC DM1DT, the DOD field on CC INOLE is replaced with the IRS DOD.

Reminder: To delete a DOD, update CC DM1DT as add DOD with all zeroes for YYYYMMDD (00000000).

- (4) Dependents, such as children and other relatives, must meet certain eligibility criteria. A dependent is either a qualifying child or a qualifying relative. Refer to Publication 17, Your Federal Income Tax (For Individuals), Part One, Chapter Three, Dependents, for dependency qualifications.
- (5) Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, or similar statement must be attached to the taxpayer's return when a non-custodial parent claims a child as a dependent because of the custodial parent's release of claim to the child, or a custodial parent claims a child as a dependent as a result of a revocation of a release of claim to the child.
- (6) The IRS allows primary, secondary and dependent taxpayers identified as having a religious or conscience-based objection, even if the taxpayer fails to provide a valid TIN. If the taxpayer was **NOT** allowed during original processing, adjust the account.

Note: For Tax Year 2017 and prior, secondary and/or dependent exemptions were not initially allowed if the religious objector did not identify as Amish, Mennonite, or a Form 4029 filer.

- (7) The IRS initially disallows any TIN related credits claimed on a return indicating a religious or conscience-based objection to providing TINs for the "qualifying" dependent(s). Beginning in TY 2018, this includes Amish,

Mennonite, and Form 4029 filers claiming the Child Tax Credit. Taxpayers receive a math error notice stating their TIN related credit was not allowed because a TIN was not furnished.

- (8) In some cases, taxpayers claiming a religious or conscience-based objection to obtaining a TIN are allowed the dependent/exemption or related credits when they provide specific documentation. Refer to IRM 21.6.3, Credits, for information on specific credits, when complete information is received (i.e., TINS and documentation requested in Letter 3050C, EIC/CTC/ODC/Dependent/Child & Dependent Care Credit - Math Error).

Note: Do not allow EITC unless the taxpayer(s) and qualifying dependent(s) have a valid SSN and all other qualifications are met. For Tax Years 2018-2025, do not allow the CTC unless the qualifying child(ren) has a required SSN and all other qualifications are met.

- a. If the taxpayer contacts IRS stating they have a religious or conscience-based objection to providing a TIN, follow the procedures listed below:

If contact is by	And	Then
Phone	Taxpayer inquires regarding TIN for dependent/exemption.	<ol style="list-style-type: none"> 1. Inform the taxpayer they should receive a letter within 10 - 15 days instructing them to provide specific information. Taxpayer should provide the required documentation and respond using the enclosed envelope within 30 days of receipt of the letter. 2. Initiate a Letter 3050C, include paragraph 9 and include the information in the Note below this table.
Walk In	<ol style="list-style-type: none"> 1. Taxpayer inquires regarding TIN for dependent/exemption. 2. The taxpayer is providing the information listed in the Letter 3050C. 3. The information provided is incomplete. 	<ol style="list-style-type: none"> 1. Using the Letter 3050C include the information in the Note below this table and also inform the taxpayer what is required for us to allow the dependent/exemption. 2. Review the information for completeness and make the appropriate account adjustment (follow local procedures for account adjustment). 3. Reiterate to the taxpayer what is required as listed in the Letter 3050C, paragraph 9.
Paper	<ol style="list-style-type: none"> 1. The taxpayer is responding to a math error. 2. The taxpayer is providing the information listed in the Letter 3050C, paragraph 0. 3. The information provided by the taxpayer is incomplete. 	<ol style="list-style-type: none"> 1. Initiate a Letter 3050C and include the information in the Note below this table. Suspend the case following normal procedures. 2. Review the information for completeness and make the appropriate account adjustment. 3. Disallow the dependent/exemption following normal claim disallowance procedures.

Note: When initiating a Letter 3050C include the following, when applicable: "If you have a religious or conscience-based objection to securing a Taxpayer Identification Number for the dependents or exemptions, forward a statement outlining your objection and documentation from the following lists to verify the dependents."

21.6.1.6.2
(10-01-2019)

Computing the Personal Exemption Deduction

- (1) For tax years ending before Jan. 1, 2018, the taxpayer is allowed one exemption for each qualifying person listed on the return. Allow one exemption for:

- The primary taxpayer
- The secondary taxpayer
- Each qualifying child
- Each qualifying relative

Note: A dependent is either a qualifying child or qualifying relative. Refer to Publication 17, Your Federal Income Tax (For Individuals), for additional information.

- (2) The exemption allowance is different for each year. Refer to the year of the tax return for the correct amount:

Personal Exemption Deduction	Tax Year
\$4,050	2016 & 2017
\$4,000	2015
\$3,950	2014

- (3) There is no personal exemption deduction for the tax years 2018 to 2025. Due to the Tax Cuts and Jobs Act of 2017, this exemption is suspended for taxable years beginning after Dec. 31, 2017, and before Jan. 1, 2026.

21.6.1.6.3
(10-01-2019)
**Personal Exemption
Phase-Out**

- (1) The personal exemption deduction begins to phase out when the Adjusted Gross Income (AGI) exceeds the following amounts:

Filing Status	2014 Amount	2015 Amount	2016 Amount	2017 Amount
Married Filing Joint and Qualifying Surviving Spouse (QSS)	\$305,050	\$309,900	\$311,300	\$313,800
Head of Household	\$279,650	\$284,050	\$285,350	\$287,650
Single	\$254,200	\$258,250	\$259,400	\$261,500
Married Filing Separately (MFS)	\$152,525	\$154,950	\$155,650	\$156,900

REMINDER: There is no personal exemption deduction for tax years 2018-2025 as established by the Tax Cuts and Jobs Act of 2017.

- (2) For tax years 2017 and prior, the amount for each exemption is reduced by 2 percent for each \$2,500 (\$1,250 for MFS), or fraction thereof, in excess of the applicable threshold.

21.6.1.6.4
(09-01-2022)
**Missing or Invalid
Exemption/Dependent
TINs Procedures**

- (1) If a valid Taxpayer Identification Number (TIN), is not provided for the primary taxpayer, the secondary taxpayer, or the dependents, the exemption/dependent is disallowed for the person listed with the invalid TIN. The IRS considers a TIN missing if it isn't provided or if it is obviously incorrect. If the exemption/dependent was disallowed during initial processing, a math error taxpayer notice code (TPNC) appears on the module.

Exception: If the taxpayer asked IRS to compute the tax liability, there are no TPNs, a CP 51B will be issued. The “-G” freeze code is not set.

Caution: Disallowance of an exemption/dependent may also affect filing status, take in consideration when determining an adjustment to an account.

(2) For tax year 2017 and prior, verify the exemption field on CC TXMOD, RTVUE, and IMFOL screens:

- a. Verify the number of exemptions the taxpayer was allowed during original processing.
- b. Divide the total exemption amount shown on RTVUE-PER COMPUTER by the exemption amount for the tax year in question.

Note: Does not apply to phase-out situations.

- c. If an adjustment is made for exemptions, input Item Reference Number (IRN) 887 if the new total number of exemptions differ from the number shown in the exemption field on CC TXMOD/IMFOL.

Note: Refer to IRM 21.6.1.6, Exemption/Dependent Procedures, for tax years 2018-2025.

(3) If the taxpayer submits correspondence indicating someone used their TIN or the TIN of a dependent, refer to IRM 25.23.4.4, Taxpayer Inquiries Involving Identity Theft (IDT).

(4) Taxpayers may call or correspond regarding Individual Taxpayer Identification Numbers (ITINs), refer to procedures in IRM 3.21.263.8, Accounts Management (AM). For ITIN math error procedures, refer to IRM 3.21.263.8.7, Math Errors. For invalid TIN, refer to IRM 21.4.1.5.4, Invalid Taxpayer Identification Number.

Reminder: When correcting an SSN, 3rd party verification Coverage Data Repository (CDR) must be conducted to verify if Advance Premium Tax Credit (APTC) was paid on behalf of the person for whom the exemption/dependent is being allowed. Refer to procedures in IRM 21.6.3.4.2.12.5, Premium Tax Credit Notice/Letter Responses.

If the taxpayer responds with	Then
An invalid TIN/Rejected ITIN	<ul style="list-style-type: none"> Research RTS if taxpayer responds with the same invalid/rejected ITIN and a -A freeze is on the account close control as a "True DUFF", input a TC 290.00. Do not send the Letter 3050C, ITIN responds to the taxpayer with the rejected ITIN information. If a math error has NOT posted on the account refer to IRM 21.5.4.5.1, Setting the Initial Math Error Action. Send the Letter 3050C to thoroughly explain the math error issue. If taxpayer is responding to a math error or a math error is already posted on the account (-G freeze), refer to IRM 21.5.4.5.3, Processing Responses to Math Error Notices.
A valid SSN/ITIN	Allow the exemption/dependent using normal procedures. If Earned Income Tax Credit (EITC) is claimed, refer to IRM 21.6.3.4.2.7, Earned Income Tax Credit (EITC).

Reminder: To claim the EITC, the filer (and the spouse, if filing joint) **must** have a valid SSN issued by the Social Security Administration (SSA). If a qualifying child doesn't have a valid SSN issued by SSA, the filer can't count the child as a qualifying child in figuring the amount of EITC. For tax years 2018-2025, to be claimed as a qualifying child for CTC/ACTC, the child must have a valid SSN issued by SSA. For more information, see Publication 17, Your Federal Income Tax (For Individuals).

- (5) When working math error returns processed by Austin Submission Processing ITIN unit indicating the valid/invalid ITIN(s), follow procedures above.
- (6) If a Form W-7, Application for IRS Individual Taxpayer Identification Number is attached to the Form 1040-X, or the taxpayer requests additional information in order to complete processing Form W-7, refer to the following address:
Austin Submission Processing Campus
ITIN Operation Stop: AUSC 6090 P.O. Box 149342
Austin, TX 78714-9342

21.6.1.6.5
(06-10-2019)
**Exemption/Dependent
Claim Procedures**

- (1) For tax years 2017 and prior, a taxpayer may respond to a math error concerning the number of exemptions allowed on the original return or the taxpayer may file a claim (amended/duplicate/informal) to request a change to exemptions. For tax years 2018-2025, refer to IRM 21.6.1.6, Exemption/Dependent Procedures.

If	Then
An exemption/dependent is claimed	Taxpayer must provide the child's TIN, name and, if applicable the date of birth. To determine if date of birth verification is required, refer to IRM 21.6.3.4, Credits Procedures. The TIN may be either an SSN, an ITIN or an ATIN (for dependent only).
Child is in the process of a domestic adoption; an SSN from Social Security Administration (SSA) may not be issued immediately	The parent must apply for an ATIN for the child. Refer to the instructions for Form 8839, Qualified Adoption Expenses, for more information.
Child was born and died in the same tax year	<ol style="list-style-type: none"> 1. The taxpayer must supply the child's TIN, if a TIN was issued for the child. 2. If a TIN was not issued for the child, the taxpayer must provide a copy of the child's birth certificate, death certificate, or hospital records. 3. If the taxpayer has difficulty in obtaining a birth certificate for a child who lived only a brief time, the taxpayer must document the birth with the copy of hospital medical record or a signed statement by a doctor or midwife, who attended the birth (on letterhead with business address and telephone number).
Child is in the process of a foreign adoption and is not yet eligible for an SSN from SSA	The parent must obtain either an ITIN or ATIN for the child. Refer to Form W-7, Application for IRS Individual Taxpayer Identification Number, or Form W-7 A, Application for IRS Adoptions Taxpayer Identification Number for more information.

- (2) If taxpayer is adding or deleting an exemption/dependent, refer to IRM 21.6.3.4.2.12.6, Premium Tax Credit Amended Returns, to determine if there is a potential impact to the Premium Tax Credit (PTC).
- (3) Verify the validity of the name(s) and TIN(s) submitted by the taxpayer. For a math error reply, the dependent with the missing/invalid TIN is recorded on RTVUE:
 - a. Use CC INOLE/NAMES to verify the SSN and name.
 - b. Use CC INOLE/NAMES or access ITIN RTS refer to IRM 3.21.263.9, General Instructions for ITIN Navigation (ITIN RTS), to verify ITIN and name.
 - c. Use CC ATINQ to verify the ATIN and name.
 - d. Verify the name and TIN (and date of birth for EITC and Child Tax Credit). For date of birth, ensure the information provided by the taxpayer
 - e. On RTVUE, the dependent field is followed by an indicator showing which dependent(s) was included in the math error condition: "2" means "account is not present on the NAP"; and, "9" means "invalid TIN".
 - f. Refer to IRM 3.13.5.19, Social Security Administration (SSA) Requirements, and IRM 3.13.5.16, Weekly NEW SSA Name Control (N/C)

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Indicator Files, for correction of entity issues involving missing/invalid TINs for the primary and/or secondary taxpayer.

If	And	Then
TIN, name, and applicable date of birth match IRS records		Allow the exemption/dependent Reminder: Consider filing status if changed during original processing.
TIN, name, and date of birth do not match IRS records	Taxpayer is responding to a math error notice	1. Do not allow the exemption/dependent. 2. Follow IRM 21.5.4, General Math Error Procedures.
TIN, name, and date of birth do not match IRS records	A math error is not involved (e.g., taxpayer claiming an additional exemption/dependent)	1. Close the case per IRM 21.5.3.4, General Claims Procedures. 2. Send a Letter 3050C and include only the name of the dependent for which the information provided did not validate.

- (4) If taxpayer makes a statement, asks a question, or indicates a misunderstanding of an exemption/dependent math error notice:
 - Refer to IRM 21.5.4.5.3, Processing Responses to Math Error Notices
 - Follow “no consideration” procedures in IRM 21.5.3.4.6, No Consideration and Disallowance of Claims and Amended Returns, if a claim or amended or duplicate return is included with statement
 - Close the case with a Letter 3050C explaining the exemption/dependent requirements
- (5) If taxpayer responds to a math error notice within 60 days, refuses to obtain/provide the correct information and requests the account adjustment be made (after a full explanation of the legislative provisions was given), follow **unsubstantiated math error** procedures in IRM 21.5.4.5.5, Math Error Unsubstantiated Protest Processing.
- (6) When changing the exemptions/dependents (or adjusting credits requiring TIN validation for allowance), refer to IRM 21.6.1.7, Command Code DUPED and DDBCK, for more information.

21.6.1.6.6
(05-03-2023)
IRS Individual Taxpayer Identification Number (ITIN)

- (1) The IRS Individual Taxpayer Identification Number (ITIN) is a nine-digit number issued by the Internal Revenue Service (IRS) to individuals who are required, for U.S. tax purposes, to have a U.S. taxpayer identification number, but who do not have, and are **NOT** eligible to obtain, a social security number (SSN) issued by the Social Security Administration (SSA).
- (2) The ITIN is for federal tax purposes **ONLY**. It does **NOT** entitle the holder to social security benefits and does **NOT** change their immigration status or their right to work in the United States.
- (3) An ITIN is formatted like an SSN. The ITIN begins with a “9” and has a unique identifying 4th and 5th digit range of:
 - 50-65

- 70 - 88
- 90 - 92
- 94 - 99

- (4) Income earned in the United States is taxable regardless of the individual's immigration status. Individuals earning income in the United States and have NOT been granted work authorization by the United States Citizenship and Immigration Services (USCIS) must meet their tax obligations.
- (5) To obtain an ITIN, an individual must complete the Form W-7, Application for IRS Individual Taxpayer Identification Number, or the Spanish version, Form W-7SP, and submit the required supporting identification documentation along with their valid U.S. Federal income tax return or exception documentation, as required. For assistance, applicants may make an appointment for their nearest TAC office or refer to IRS.gov for an IRS Certifying Acceptance Agent.
- (6) ITIN applicants must show they need an ITIN for a Federal income tax purpose. A U.S. Federal income tax return must be attached to the ITIN application unless the applicant meets one of the five exceptions discussed in Publication 1915, Understanding Your IRS Individual Taxpayer Identification Number (ITIN).
- (7) All ITIN applicants must submit supporting identification documentation. The 13 acceptable identification documents are listed in the instructions for the Form W-7 and Form W-7SP, Publication 1915, Understanding Your IRS Individual Taxpayer Identification Number (ITIN), and in IRM 3.21.263, IRS Individual Taxpayer Identification Number (ITIN) Real Time System (RTS).
- (8) Follow ITIN procedures in IRM 3.21.263.8, Accounts Management (AM). Expired ITINs refer to procedures in IRM 3.21.263.8.2, Inquiries Regarding Expiration of ITIN/Letter 5821 or CP 48, or IRM 3.21.263.2.3, Request to Reactivate an ITIN, if ITIN was deactivated/expired in error. Status of application refer to IRM 3.21.263.8.3, Inquiries Regarding Status of Application.

21.6.1.6.6.1
(10-01-2019)

ITIN Restrictions

- (1) Although an ITIN is required for certain individuals to file a valid Federal U.S. tax return, it has limited use on the tax return.
- (2) For a complete list of credits allowed with an ITIN, refer to Exhibit 21.6.3-1, TIN Requirements for Exemptions/Dependents and Credits.

21.6.1.6.6.2
(12-20-2022)

ITIN Renewal Math Error Adjustments

- (1) ITINs with the middle digits listed in IRM 3.21.263.8.2, Inquiries Regarding Expiration of ITIN/Letter 5821 or CP 48, and ITINs that have not been used on a tax return at least once, expire on December 31 of the third consecutive tax year. Taxpayers were instructed to renew their ITIN or dependents ITIN(s) by filing the Form W-7, Application for IRS Individual Taxpayer Identification Number. A TC 971 AC 194 and a TC 971 AC 804 posts on CC ENMOD and CC IMFOLE for the primary taxpayer of the return the ITIN was present on, indicating a CP 48 was issued.
- (2) If an ITIN was **NOT** renewed prior to being used on a Federal US income tax return, the expired ITIN(s) and any related exemptions/dependents and credits were disallowed in processing and math error notices issued.

- (3) If the expired ITIN is for a deceased taxpayer, refer to IRM 3.21.263.8.2, Inquiries Regarding Expiration of ITIN/Letter 5821 or CP48/748, and IRM 3.21.263.8.9, Decedent Inquiries (AM).
- (4) Taxpayers may call with questions about the math error notice. Research primary taxpayers account using CC RTVUE to determine which ITIN(s) were disallowed. There may be several ITINs that were disallowed; research each ITIN on RTS to determine if the ITIN had been renewed/reactivated. CC INOLES and the CC INOLEX also shows the status of the ITIN, the original ITIN assigned date, the ITIN deactivated date, and the ITIN reactivated date. If the ITIN assigned date is equal to or prior to the due date of the return and it shows as Active, correct the math error. A Form W-7 must be filed to renew/reactivate each ITIN; refer to paragraph 6 below if the taxpayer states they filed a Form W-7.
- If the Form W-7 was filed and processed, RTS shows the ITIN status as **Active** and CC INOLES and CC INOLEX show **A** for **Active**.
 - If the Form W-7 has not been filed or processed, the ITIN status shows as **Inactive** and CC INOLES and CC INOLEX show **I** for **Inactive**.
 - If an ITIN owner became a U.S. citizen or legal resident alien and now has a social security number (SSN), they do **NOT** need to renew their ITIN. Refer to IRM 3.21.263.8.2, Inquiries Regarding Expiration of ITIN/Letter 5821 or CP48/748.
- (5) The table below lists the Taxpayer Notice Codes (TPNC) pertaining to ITIN math error(s):

Notice Code	Description
315 (International)	We didn't allow your personal exemption on your tax return because your individual taxpayer identification number (ITIN) has expired. Each exemption on your tax return must have a valid ITIN or other valid taxpayer identification number (TIN).
316 (International)	We didn't allow your spouse's personal exemption on your tax return because your spouse's individual taxpayer identification number (ITIN) has expired. Each exemption on your tax return must have a valid ITIN or other valid taxpayer identification number (TIN).

Notice Code	Description
317 (International)	<p>Each exemption on your tax return must have a valid individual taxpayer identification number (ITIN) or other valid taxpayer identification number (TIN). One or more of your dependents has an expired ITIN. As a result, we didn't allow those exemptions on your tax return. This change may affect your taxable income, tax, or any of the following credits:</p> <ul style="list-style-type: none"> • Credit for Child and Dependent Care Expenses • Child Tax Credit • Additional Child Tax Credit
318 (International)	<p>Your Individual Taxpayer Identification Number (ITIN) has expired. As a result, we didn't allow certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits:</p> <ul style="list-style-type: none"> • Child Tax Credit • Additional Child Tax Credit
319 (International)	<p>The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we didn't allow the amount you claimed as Additional Child Tax Credit on your tax return. (Spanish Translation)</p>
320 (International)	<p>The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we didn't allow the amount you claimed as Additional Child Tax Credit on your tax return.</p>

Notice Code	Description
322 (International)	The Individual Taxpayer Identification Number (ITIN) for one or more of your dependents has expired. As a result, we didn't allow certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Credit for Child and Dependent Care Expenses • Credit for Other Dependents
323 (International)	Your Individual Taxpayer Identification Number (ITIN) has expired. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Child Tax Credit • Credit for Other Dependents • Additional Child Tax Credit
464 (International)	We didn't allow some or all of the amount you claimed as Additional Child Tax Credit on your tax return because the Individual Taxpayer Identification Number (ITIN) for one or more qualifying persons has expired.
467 (International)	We didn't allow some or all of the amount you claimed as Credit for Child and Dependent Care Expenses on line 47 of your Form 1040NR because the Individual Taxpayer Identification Number (ITIN) for one or more qualifying persons has expired.
642	We didn't allow your personal exemption on your tax return because your Individual Taxpayer Identification Number (ITIN) has expired. Each exemption on your tax return must have a valid ITIN or other valid Taxpayer Identification N-number (TIN).

Notice Code	Description
643	We didn't allow your spouse's personal exemption on your tax return because your spouse's Individual Taxpayer Identification Number (ITIN) has expired. Each exemption on your tax return must have a valid ITIN or other valid Taxpayer Identification Number (TIN).
644	Each exemption on your tax return must have a valid Individual Taxpayer Identification Number (ITIN) or other valid Taxpayer Identification Number (TIN). The ITIN for one or more of your dependents has expired. As a result, we didn't allow those exemptions on page 2 of your tax return. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Credit for Child and Dependent Care Expenses • Education Credits • Child Tax Credit • Additional Child Tax Credit
645	We didn't allow some or all of the Education Credits you reported on Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits), and claimed on page 2 of your tax return because one or more students listed on the form has an expired Individual Taxpayer Identification Number (ITIN).
646	We didn't allow some or all of the amount you claimed as Credit for Child and Dependent Care Expenses on page 2 of your tax return because the Individual Taxpayer Identification Number (ITIN) for one or more qualifying persons has expired.

Notice Code	Description
709	<p>The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we didn't allow certain credits on your return claimed. This change may affect any of the following credits:</p> <ul style="list-style-type: none"> • Education Credits • Child Tax Credit • Additional Child Tax Credit • Credit for Other Dependents
710	<p>The Individual Taxpayer Identification Number (ITIN) for one or more of your dependents has expired. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits:</p> <ul style="list-style-type: none"> • Education Credits • Credit for Child and Dependent Care Expenses • Credit for Other Dependents
817	<p>The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we didn't allow certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits:</p> <ul style="list-style-type: none"> • Education Credits • Child Tax Credit • Additional Child Tax Credit

- (6) When a taxpayer has questions or concerns about a math error notice listed in paragraph 5, above, follow procedures in the table below:

Note: Due to the Covid-19 pandemic, IRS processing delays may cause an ITIN to be inactive when a return is processed. However, if the ITIN was active when IRS received the return, the ITIN should be allowed without additional taxpayer action.

If	And	Then
Taxpayer states the Form W-7(s) was submitted for ITIN renewal.	RTS is showing ITIN(s) status as Active . Command Codes (CC) INOLES and CC INOLEX do not show Active.	Send Form 4442, Inquiry Referral to the ITIN Unit per IRM 3.21.263.2.3(3), Request to Reactivate ITIN, and follow 1 through 3 below. Note: The ITIN Unit does not do adjustments or release freeze conditions.
Taxpayer states the Form W-7(s) was submitted for ITIN renewal.	RTS is showing ITIN(s) status as "Active". Command Codes (CC) INOLES and CC INOLEX also show the status as "A" for "Active".	<ol style="list-style-type: none"> 1. Research CC RTVUE to determine if the primary taxpayer claimed the renewed ITIN(s) on the tax return. Research the primary account to determine if the account has already been corrected. If already corrected, refer to (3) below. 2. If the account has not been corrected, correct the math error(s) related to the renewed ITIN(s) (limited to the amount shown on the original return). If there is another type of math error, refer to IRM 21.5.4.5, Math Error Procedures Processing. If the ITIN was activated at the time of processing, but is now deactivated, allow the adjustment. Reminder: The primary and secondary (if applicable) must have valid TIN(s) before allowing the Child Tax Credit (CTC), Additional Child Tax Credit (ACTC), Education Credit or Credit for Other Dependent (ODC). 3. Inform taxpayer of the adjustment. Refer to IRM 21.5.4.5.4, Math Error Substantiated Protest Processing, and tell taxpayer the time frame for receiving their refund. For adjustments input BEFORE February 15 of the current processing year, refer to Reminder below this table.

If	And	Then
Taxpayer states they filed the Form W-7(s) to renew the ITIN(s).	RTS is showing ITIN(s) status as "Inactive". Command Codes (CC) INOLES and INOLEX also show the status as "I" for "Inactive".	<ol style="list-style-type: none"> 1. Determine when taxpayer filed the Form W-7. 2. Taxpayer should allow 7 weeks from the mailing date of the Form W-7, for the IRS to notify them of their ITIN application status, 9 to 11 weeks if submitted during peak processing periods (January 15 through April 30) or if filing from outside of the United States. Remind taxpayer to use the latest version of Form W-7 and to check the box at the top right-hand corner "Renew an Existing ITIN" to expedite the renewal process. Refer to IRM 3.21.263.8.3, Inquiries Regarding Status of Application, for more information.
Taxpayer did NOT file the Form W-7 to renew the ITIN(s).	RTS is showing ITIN status as "Inactive". Command Codes (CC) INOLES and INOLEX also show the status as "I" for "Inactive".	Tell taxpayer to file the latest version of Form W-7 and to check the box at the top right hand corner Renew an Existing ITIN to expedite the renewal process. We cannot allow the exemptions/credits until the Form W-7 to renew the expired ITIN(s) has been filed and processed. Allow 7 weeks from mailing date for processing; 9 to 11 weeks if submitted during peak processing periods (January 15 through April 30) or if filing from outside of the United States.
Taxpayer states they filed with the ITINs within the last 3 years, but have not received the refund.	Research shows that the ITIN(s) was deactivated in error.	<p>Do not request documentation from the taxpayer. Send a Form 4442 to the ITIN team per IRM 3.21.263.2.3, Request to Reactivate ITIN. Note any follow-up actions needed after reactivation, such as: Math Error correction, or freeze release. The Form 4442 is returned to AM P&A ITIN Contacts after it has been processed.</p> <p>Note: The ITIN Unit does not do adjustments or release freeze conditions.</p>

Reminder: Due to the Protecting Americans from Tax Hikes (PATH) Act of 2015, any refunds related to Additional Child Tax Credit (ACTC) and Earned Income Tax Credit (EITC), are **NOT** issued **BEFORE** February 15 of the current processing year. Refer to IRM 21.5.6.4.5.1, C- Freeze -

Refund Holds, IRM 21.6.3.4.2.7.10, EITC Claims, and IRM 21.6.3.4.2.8.2, ACTC - Adjusting the Credit, for additional information.

21.6.1.6.7
(04-30-2020)
**Resolving CP 54 Notices
with Math Error
Involvement**

- (1) When the primary taxpayer's TIN is invalid, the taxpayer may receive a CP 54 notice (see descriptions in 2 below), and/or a math error notice. Written responses to CP 54 notices that do not involve Earned Income Tax Credit (EITC) math errors are worked in Entity. If taxpayer attaches correspondence in response to a math error notice or attaches correspondence inquiring about a math error issue, Accounts Management works the response.
Caution: Refer to IRM 21.6.2.4.1, Resequencing Accounts, on resequencing accounts prior to the merge.
- (2) There are four CP 54 notices to be considered:
 - a. CP 54B, Additional Information Needed Regarding Name and Social Security Number - Refund Delayed;
 - b. CP 54E, Discrepancy Between Name and Social Security Number (SSN) on Estimated Tax Payments;
 - c. CP 54G, Discrepancy Between Name and Social Security Number (SSN) - Even/Balance Due; and,
 - d. CP 54Q, Discrepancy Between Name and Social Security Number (SSN) - Second Request.
- (3) Process CP 54 responses with math error involvement as follows:

If the primary exemption was disallowed	Then
Primary TIN and/or name control was transposed or transcribed incorrectly	<ol style="list-style-type: none"> 1. Correct the invalid primary TIN. Refer to IRM 3.13.5.89, CC ENMOD, for information on making entity changes. 2. Review the math error code(s) to identify all additional math error conditions. 3. Refer to IRM 21.6.3.4.2.7, Earned Income Tax Credit (EITC), if EITC is involved.
Invalid primary TIN condition was the result of an IRS error	<ol style="list-style-type: none"> 1. Update the return processable date (RPD) with the original due date or date received, whichever is later. Credit interest is allowed. See IRM 20.2.4.5.1, Updating the RPD on Unprocessable Returns. 2. Resequence the invalid account to the valid number. Credit transfers are not necessary.

- (4) Taxpayer may provide a different name or primary TIN:
 - Research CC INOLE/NAMES if the number is an SSN/ITIN
 - Research CC ATINQ if the number is an ATIN

Note: Refer to IRM 21.6.2.4, TIN-Related Problems Procedures, on resequencing accounts prior to the merge.

If	Then
Primary number provided is valid	Correct the invalid TIN. Refer to IRM 21.6.2.4.1, Resequencing Accounts, if account will not merge.
Invalid primary TIN condition is not due to an IRS error	<ol style="list-style-type: none"> 1. Update the RPD with the date the taxpayer contacted the IRS (verbally or in writing). See IRM 20.2.4.5.1, Updating the RPD on Unprocessable Returns 2. Review the math error code(s) to identify all additional math error conditions. 3. Follow IRM 21.6.3.4.2.7, Earned Income Tax Credit (EITC), if the EITC is involved. 4. Resequence the invalid account to the valid number. Credit transfers are not necessary.
Primary TIN provided is not valid	<p>DO NOT RELEASE THE REFUND.</p> <p>Exception: Refer to “taxpayer changed their surname/last name” below.</p>
Taxpayer changed their surname/last name but did not notify the SSA and the prior name is valid on IRS records	<ol style="list-style-type: none"> 1. Refer to IRM 3.13.5.89, CC ENMOD, for information on making entity changes, and IRM 3.13.5.90, Using CC INCHG Instead of CC IRCHG, for correction of entity issues involving missing/invalid TIN's. CC INCHG is used to make corrections to the invalid account on Master File. Reminder: Only correct a taxpayer's account with CC IRCHG when the taxpayer provides legal documentation or when research conducted clearly shows the taxpayer is using the correct TIN. 2. Review the math error code(s) to identify all additional math error conditions. 3. Follow IRM 21.6.3.4.2.7, Earned Income Tax Credit, if the math error condition is for EITC. 4. Make the necessary adjustments to the account using a Post Delay Code “1” allowing the entity to update. <ol style="list-style-type: none"> a. Update the RPD with the original return due date or the received date, whichever is later. See IRM 20.2.4.5.1, Updating the RPD on Unprocessable Returns. b. Release any verified withholding credit for refund, without regard to other math error conditions.

21.6.1.6.8
(10-01-2019)
**Adjusting the
Exemption/Dependent
Deduction**

- (1) To change the exemptions/dependents, the taxpayer must:
 - a. Meet the dependency test for the change.
 - b. Submit a valid SSN, ITIN, or ATIN for each exemption/dependent.
 - c. Provide the exemption/dependent information.
- (2) Changes to the exemptions/dependents change the taxable income:
 - a. For tax years 2018-2025, refer to IRM 21.6.1.6, Exemption/Dependent Procedures. To change the dependents, an adjustment may be needed to tax, taxable income, credits, and CC DDBCK or CC DUPED.

Example: Joe Moss, Jr. filed the original Form 1040, U.S. Individual Income Tax Return, for tax year 2018 and did not check the box to indicate that they were a dependent of another taxpayer. Their parents also filed their original Form 1040 claiming Joe, Jr. so that they could get the Child Tax Credit. Joe, Jr. qualifies as their dependent because they are 16, lived at home for the full year of 2018, and their parents provided more than 50 percent of their support. Joe, Jr. must file a Form 1040-X to amend the original return. Joe, Jr. uses the Standard Deduction Worksheet for Dependents that is included in the instructions for the Form 1040 to compute the standard deduction. To process the Form 1040-X, input a TC 290 for the amount of tax change and IRN 886 for the amount of taxable income change with RC 075. IRN 887 is **NOT** used for 2018-2025 adjustments. Update the Dependent Status Indicator on CC DUPED, see IRM 21.6.1.7.1, Command Code DUPED, for instructions.

- b. For tax years 2017 and prior, change the exemptions as follows:
 - Adjust the number of exemptions with IRN 887.
Note: Do not reduce the exemptions below zero.
 - Decrease the exemptions with (-).
 - Adjust the taxable income with IRN 886.
Note: Do not decrease the taxable income below zero (00).
 - Use RC 006 and the appropriate SC and blocking series. See IRM 21.6.7.4.1, Source and Reason Codes - CP 21/CP 22A Notices, for more information.
- (3) Review the claim for Examination criteria:
 - a. Refer to Examination for Category-A (CAT-A) review, if necessary.
 - b. Refer to IRM 21.5.3, General Claims Procedures, for CAT-A criteria.
- (4) When changing the number of exemptions/dependents, refer to IRM 21.6.1.7, Command Code DUPED and DDBCK, for procedures on updating the Duplicate TIN database (DUPOL).
- (5) Refer to IRM 21.5.3.4.6, No Consideration and Disallowance of Claims and Amended Returns, for claim rejection and disallowance information.

21.6.1.6.9
(10-29-2020)
Verifying Form 8332

- (1) For tax years 2018-2025, due to TCJA, Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, is used for dependent credit documentation. For tax years ending on or before Dec. 31, 2017, the form is used for exemption documentation.
- (2) A custodial parent may release their claim to a child's exemption/dependent credit. The custodial parent:
 - a. Completes and signs Form 8332, or similar statement.
Note: Per Treasury Regulation Section 1.152-4(e)(1)(ii), a written declaration not on Form 8332 must conform to the substance of that form. A court order or decree or separation agreement may not substitute for a Form 8332. If the divorce decree or separation agreement went into effect after 1984 and before 2009, the non-custodial parent may be able to attach certain pages from the decree or agreement instead of Form 8332. Refer to Publication 501, Dependents, Standard Deduction, and Filing Information.
 - b. Gives the form to the non-custodial parent to claim the exemption/dependent.
 - c. Releases the exemption/dependent for a single year, a specified number of years, or all future years.
- (3) The non-custodial parent must attach a copy of the Form 8332 to the return for each year the non-custodial parent claims the child as a dependent.

Note: If a Form 8332 was executed after the return has been filed, the analysis in *Chief Counsel Advice (CCA) 200646014* may be helpful when determining which parent is entitled to the exemption/dependent.

- (4) Upon receipt of a math error notice response concerning a missing or incomplete Form 8332 (or similar statement) take the following actions:
 - a. Review Command Code (CC) RTVUE to determine if sufficient information is available to adjust the account.
 - b. Secure the related return, if needed, to determine the reason for issuance of the notice.
 - c. Correspond with the non-custodial parent, enclose a blank Form 8332.
 - d. Request taxpayer to complete and return the Form 8332, signed by the custodial parent.
 - e. Tell the taxpayer that the IRS reconsiders the request when the appropriate information is provided. Refer to IRM 21.5.3.4.6, No Consideration and Disallowance of Claims and Amended Returns.
- (5) Upon receipt of the completed Form 8332:
 - a. Reopen the case if not assigned on CII. If not on CII, follow procedures to scan the Form 8332; create a new CII case if necessary. For instructions, see the *CIS CSR User Guide*.
 - b. Secure the return, if needed, to verify taxpayer submitted the appropriate information.
 - c. If the response does not clearly show the non-custodial parent is entitled to the exemption/dependent, send the correspondence and tax return to Examination.

- (6) If taxpayer provides the appropriate documentation, and the tax year is prior to 2018, allow the exemption as follows:
 - a. Decrease the tax (Transaction Code 291), but not below zero.
 - b. Decrease the taxable income (item reference number 886), but not below zero.
 - c. Increase the exemptions (item reference number 887).
 - d. Input Reason Code 006 and the appropriate blocking series and source code. See IRM 21.6.7.4.1, Source and Reason Codes - CP 21/CP 22A Notices, for more information.
 - e. Update the Return Processable Date (RPD) if the Form 8332 is a late reply to a "U" coded return (RPD 99999). Refer to IRM 21.5.1.4.2.10, Late Replies.
- (7) If the taxpayer provides the appropriate documentation, and the tax year is 2018-2025, input the adjustment to correct tax and dependent credits, if needed. Update the Return Processable Date (RPD) if the Form 8332 is a late reply to a **U** coded return (RPD 99999). Refer to IRM 21.5.1.4.2.10, Late Replies.

21.6.1.7
(04-24-2019)
**Command Code DUPED
and DDBCK**

- (1) Due to the TCJA, instructions regarding CC DUPED, CC DDBCK and exemptions apply only to accounts ending on or before Dec. 31, 2017. For tax years 2018-2025, dependent credits may be updated by using CC DDBCK or CC DUPED.
- (2) CC DUPED and CC DDBCK allows a user to update the Duplicate TIN database (DUPOL).
- (3) In all cases, when an exemption and/or credit requiring TIN validation is being allowed/removed, use either CC DUPED or CC DDBCK to update the database. The conditions which apply to the use of each of these command codes follow.

Caution: There are conditions which do not allow the use of CC DUPED or CC DDBCK.

- (4) Refer to IRM 21.6.1.7.1, Command Code DUPED, for specific information on CC DUPED.
- (5) Refer to IRM 21.6.1.7.2 Command Code DDBCK, for specific information on CC DDBCK.

21.6.1.7.1
(10-01-2019)
**Command Code (CC)
DUPED**

- (1) Due to the TCJA, instructions regarding CC DUPED and exemptions apply only to accounts ending on or before Dec. 31, 2017. For tax years 2018-2025, dependent credits may be updated with CC DUPED.
- (2) CC DUPED must be used to update the Duplicate TIN database (CC DUPOL) for current processing year returns for:
 - CP 09 responses
 - Responses (via correspondence, amended return, or by phone) to TIN related math errors when CC DDBCK cannot be used. Refer to IRM 21.6.1.7.2, Command Code DDBCK, for the list of exceptions of when CC DDBCK cannot be used.

- Claims (amended return/Form 8862, Information to Claim Earned Income Credit After Disallowance), when CC DDBCK cannot be used

(3) CC DUPED should not be used to update CC DUPOL if the taxpayer is:

- Claiming EITC for self/spouse only, or
- Requesting a filing status change which does not affect exemption/credit allowance

Note: If EITC was disallowed during original processing but other exemption/credit amounts were not addressed due to no effect upon taxable income or total tax, determine if the TIN was used for these allowances and update CC DUPOL accordingly.

(4) CC DUPED does **not** replace masterfile account action. Appropriate account transactions are still required.

(5) Do not disclose CC DUPED data. Taxpayers are not entitled to know who else has claimed the dependent for exemption or credits.

Note: Do not use CC DUPED or CC DUPOL to determine if the taxpayer is entitled to claim the exemption or credit (including EITC). The database is not used to determine the taxpayer's eligibility.

(6) Refer to IRM 2.4.53, Command Code DUPED, for information on the input of the command code.

21.6.1.7.2
(10-02-2023)
Command Code DDBCK

(1) Due to the TCJA, for tax years 2018-2025, dependent credits are updated in CC DDBCK. For tax years 2017 and prior, exemptions and dependent credits may be updated.

Note: Use CC DDBCK/DUPED to validate the spousal TIN when a credit is claimed for the spouse; it is not needed when the **ONLY** change is for a filing status change.

(2) Follow instructions given by CC DDBCK after it is input. CC DDBCK must be used on all current processing year and two years prior for:

- Amended returns when exemptions/dependents and/or certain credits requiring TIN validation are being allowed/removed

Note: Enter **only** the ACTC and/or AOTC amounts that may be included on Line 15, Form 1040-X in the CC DDBCK Input Screen for RefCR (L15).

- Responses (via correspondence, amended return, or by phone) to TIN related math errors
- Responses to math error 653, 814-816, or 819-824, whether a Form 8862 is attached to a Form 1040-X or is filed alone. Refer to IRM 21.6.3.5, Credit Recertification, for more information.

Exception: If the received date of a claim is more than 18 months old, CC DDBCK does not allow input. Use CC DUPED when applicable.

Caution: Do not use CC DDBCK on return preparer misconduct (RPM) cases or when processing a Transaction Code (TC) 976 return that involves

21.5.2.4.23.6, Discriminant Information Function (DIF) SCORE or CLASSIFICATION "Send Return(s) to Examination for Review", **must** be followed when working these returns.

- (3) Always use CC INOLES to verify the TIN/NAME/DOB and TIN assignment date before using CC DDBCK. Even though CC DDBCK validates age, TIN, and name information when the taxpayer is claiming additional dependents and/or credits requiring TIN validation, it **will not** provide an error message unless ACTC, AOTC, CTC, or EITC is involved and then only if one of the math errors listed above is present or the taxpayer is claiming one of those credits for the first time. If EITC is claimed and TIN issue date is after the RDD, refer to IRM 21.6.3.4.2.7.10, Earned Income Tax Credit (EITC) - Claims.
- (4) When processing an amended return/Form 8862 and ACTC, AOTC, CDCC, CTC, and/or EITC, , is being increased, CC DDBCK identifies account conditions which require Exam involvement. If credit recertification is required, see IRM 21.6.3.5, Credit Recertification.
- (5) Exceptions for when CC DDBCK **cannot** be used:

Condition	If current processing year claim should CC DUPED be used?
CP 27 response or Amended return where taxpayer is claiming EITC for self/spouse only	No
TIN has been merged or resequenced. Example: Taxpayer filed originally with an Individual Taxpayer Identification Number (ITIN) and NOW obtained a valid Social Security Number (SSN) and a Form 1040-X needs to be processed.	Yes
Child and Dependent Care Credit and dependent child turned 13 during the tax year, the child is a qualifying person for part of the year they were under age 13. Refer to IRM 21.6.3.4.1.3, Child and Dependent Care Credit.	Yes
Requesting filing status change which does not affect exemption/credit allowance	No
EITC increase due to additional Form W-2	No
EITC NON -TIN related math errors (ME) pertaining to either correspondence or Forms 1040-X. Exception: ME 653, 814-816, or 819-824	No
Taxpayer is a fiscal year filer	Yes

Condition	If current processing year claim should CC DUPED be used?
CP 09 response	Yes
DDBCK Input Screen is full (6 dependents were previously claimed)	Yes
Tentative Carrybacks (TENTs)	Yes
Mixed Entity Cases	Yes
Scrambled SSN Cases	Yes
After the resolution of an ID Theft case and the “good” return has been identified, update as applicable refer to IRM 25.25.4.5, Identity Theft Category 7 — Single Return/Deceased/X-REF (No Lost Refund) Process.	Yes
Child and Dependent Care Credit and the qualifying dependent is over the age of 12 but disabled	Yes
Recertification Indicator 2, 3, or 4 is present and tax year is < EL-TXPD	No
Employee does not have access to CC DDBCK Note: If the case involves an increase to the Earned Income Tax Credit refer to Exhibit 21.5.3-3, Examination Criteria (CAT-A) - Credits. If the case does not meet CAT-A criteria and all other requirements are met then allow the EITC.	Yes
ASFR returns worked in AM contain a TC 599/089. Note: If input, CC DDBCK response is “POSTED RETURN NOT FOUND FOR XXXX12”.	No
Return Preparer Misconduct (RPM) Cases	Yes

Reminder: For additional CC DDBCK Examination criteria, refer to Exhibit 21.5.3-3, Examination Criteria (CAT-A) – Credits.

- (6) CC DDBCK does not update CC DUPOL on cases when the response includes “Follow IRM”, “Selected”, or “Send as CAT-A”.
- If working a current processing year claim and CC DDBCK’s response includes “Follow IRM” and following the applicable IRM procedures results in the adjustment being made, CC DUPED must be used to update CC DUPOL. Example of a CC DDBCK response “ITIN - Follow IRM”, refer to IRM 21.6.1.6.4, Missing or Invalid Exemption/Dependent TINs Procedures.
 - If working a current processing year claim and CC DDBCK’s response is “Selected”, **do not** use CC DUPED to update CC DUPOL. The claim is being referred to Examination for further review.

- c. If working a current processing year claim and CC DDBCK's response is "Send as CAT-A" and the claim is later returned by Examination "accepted as filed", CC DUPED must be used to update CC DUPOL.
 - d. If working a current processing year claim that is timely filed prior to April 15 and CC DDBCK's response is "Date Cannot be a Future Date", or "Date Earlier Than Return", use the current date for the input.
- (7) Input Category Code "EICN" in the category code field when working a case and:
- EITC is not involved (amended return/CP 36/DUPF)
 - EITC is decreased (amended return/CP 36/DUPF)
 - Correcting **Non-EITC** TIN related math error based on taxpayer correspondence, phone call, or amended return

Exception: When resolving accounts, while on the Toll-Free lines, use Category Code EICP, instead of EICN. This allows the current date to be used in the received date field.

When the Category Code is "EICN" input:

- Claim Amount "0"
 - Schedule C (SCHED-C) indicator "N"
 - AGI (L1) INC/DEC "0"
 - EIC (L13) INC/DEC "0"
 - RefCR (L15) Amount of ACTC and/or AOTC
- (8) For cases involving an increase to EITC, refer to IRM 21.6.3.4.2.7.14, EITC and Command Code DDBCK, for information on the appropriate "Category Code", "Claim Amount", and "SCHED-C" indicator to enter.
- (9) Take the following account action per CC DDBCK:

Note: If the account contains a Transaction Code (TC) 971 Action Code (AC) 010 and CC DDBCK's response indicates case has been "Selected", manually input the TC 971 AC 013.

Reminder: It is important to **complete all transactions immediately after receiving a "selected" or "route to CAT A" response**. A delay in input hinders the Examination function's ability to properly process the case. If CC DDBCK's response indicates case has been "Selected" or to "route case to CAT-A", refer to IRM 21.5.3.4.7, Processing Claims and Amended Returns with Examination Involvement, for additional instructions.

If the following literal displays	Then
Any of the following: <ul style="list-style-type: none"> • OK to input ADJ54, Do Not Use Blocking Series 74; • OK to input ADJ54, if eligibility met; • OK to adjust AOTC/EITC/ACTC if eligibility met; or, • OK to adjust EITC/ACTC if eligibility met 	Input the adjustment following the appropriate procedures for the specific issue. Note: Do not use Blocking Series 74

If the following literal displays	Then
OK to input ADJ54, enter reason code 103	Input the adjustment for the qualifying child (QC) case following the appropriate procedures and use RC 103. Note: Do not use Blocking Series 74
Any of the following: <ul style="list-style-type: none"> Adjust ACTC using Unsubstantiated ME procedures; Adjust AOTC using Unsubstantiated ME procedures; or, Adjust EITC using Unsubstantiated ME procedures 	Adjust account using unsubstantiated math error procedures found in paragraph 4 of IRM 21.5.4.5.5, Math Error Unsubstantiated Protest Processing. Route to your local Examination, using appropriate routing procedures after the adjustment has been made.
If either of the following: <ul style="list-style-type: none"> Send as CAT-A; or, Send as CAT-A EITC 	Refer to reminder in (9) above. Route to Examination as "Suspend 2CATA" and use the referral reason "Earned Income Credit".
Selected, DDBCK reroute to EITC	Refer to reminder in (9) above. Route to your local Examination, using appropriate routing procedures.
Selected, DDBCK route to EITC XXXX Note: "XXXX" = CAMPUS	Refer to reminder in (9) above. Route to Examination at XXXX using appropriate routing procedures. Note: If "Selected, DDBCK reroute to EITC KCSC" then refer to IRM 21.6.3.5, Credit Recertification.
CC DDBCK Selected ACTC	Refer to reminder in (9) above. Route to your local Examination, using appropriate routing procedures.
Reject/Disallow Claim	The TIN assignment was after the due date of the return. <ul style="list-style-type: none"> Claims for Child Tax Credit, refer to IRM 21.6.3.4.1.24.4, Adjusting Child Tax Credit and/or Credit for Other Dependents. Claims for Earned Income Tax Credit (EITC) refer to IRM 21.6.3.4.2.7.10, EITC Claims. Claims for the American Opportunity Tax Credit (AOTC), refer to IRM 21.6.3.4.2.11, American Opportunity Tax Credit. , A
Disallow AOTC 4 year rule	AOTC being claimed for more than 4 years. Disallow following normal disallowance procedures.
Partially disallow AOTC, OK to adjust ACTC/EITC if eligibility met	AOTC being claimed for more than 4 years. Disallow AOTC and allow ACTC/EITC if eligibility met following normal partial disallowance procedures.

If the following literal displays	Then
Partially disallow AOTC, OK to adjust ACTC/EITC if eligibility met, see Note	<ol style="list-style-type: none"> 1. If Note applies for alternative proof, then refer to reminder in (9) above. Route to your local Examination, using appropriate routing procedures. 2. If Form 1098-T is attached, adjust AOTC following normal procedures. 3. Otherwise, no Form 1098-T available on IRPTR. Disallow AOTC and allow ACTC/EITC if eligibility met following normal partial disallowance procedures.
No consider AOTC no 1098-T	No Form 1098-T available on IRPTR. No consider using normal no consideration procedures.
No consider AOTC no 1098-T, see Note	<ol style="list-style-type: none"> 1. If Note applies for alternative proof, then refer to reminder in (9) above. Route to your local Examination, using appropriate routing procedures. 2. If Form 1098-T is attached, adjust AOTC following normal procedures. 3. Otherwise, no Form 1098-T available on IRPTR. No consider AOTC following normal no consideration procedures.
Selected, DDBCK reroute to EITC, possible citizenship issue	Do not adjust. Route to local Examination, using appropriate routing procedures.
Send as CAT-A - possible citizenship	Do not adjust. Follow normal CAT-A routing procedures.
FS Case Joint to Separate after the due date - Follow IRM	Refer to IRM 21.6.1.5.5, Married Filing Joint to Married Filing Separate, Single or Head of Household Procedures.
Possible Statute of Limitations - Follow IRM prior to sending as CAT-A	Follow normal CAT-A routing procedures.
ITIN - Follow IRM	Refer to IRM 21.6.1.6.4, Missing or Invalid Exemption/Dependent TINs Procedures.
Open AIMS Present - Follow IRM	Refer to IRM 21.5.3.4.7, Processing Claims and Amended Returns with Examination Involvement.
Prior Year Possible Statute - Follow IRM	Refer to IRM 25.6.1.5, Basic Guide for Processing Cases with Statute of Limitations Issues.
Selected, Input ADJ54 using Unsubst Math ERR Procd and Route to EITC	Adjust account using unsubstantiated math error procedures found in paragraph 4 of IRM 21.5.4.5.5, Math Error Unsubstantiated Protest Processing. Route to your local Examination, using appropriate routing procedures after the adjustment has been made.

If the following literal displays	Then
<p>Selected, Input ADJ54 using Unsubst Math ERR PROCD and reroute to EITC BSC or Selected ME 653 - Reroute to EITC XXXX Note: "XXXX" = CAMPUS</p>	<p>Adjust account using unsubstantiated math error procedures found in paragraph 4 of IRM 21.5.4.5.5, Math Error Unsubstantiated Protest Processing. Route the case after the adjustment has been made.</p> <p>Note: CC DDBCK has selected this case and the account opens on AIMS before the adjustment input posts to master file.</p>
RECERT IND Present - Follow IRM	Refer to IRM 21.6.3.5.1, Credit Recertification Math Errors.
STOP	Follow instructions given with DDBCK response.

- (10) Response screens addressing the action to be taken displays after the appropriate data is input. For CC DDBCK input, refer to IRM 2.4.58, Command Code DDBCK / DDBCX / DDBCS, for additional information.

