



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

25.25.4

NOVEMBER 12, 2025

EFFECTIVE DATE

(01-01-2026)

PURPOSE

- (1) This transmits revised IRM 25.25.4, Revenue Protection, Return Integrity Verification Operations Identity Theft Return Procedures.

MATERIAL CHANGES

- (1) The following changes have been made throughout IRM 25.25.4, Return Integrity & Verification Identity Theft Return Procedures:

IRM Subsection	Material Change(s)
IRM 25.25.4.1.2, Authority	Paragraph (1) - Updated references in bullet list. IPU 25U3555 issued 08-13-2025
IRM 25.25.4.1.3, Roles and Responsibilities	<ul style="list-style-type: none">• Title - updated to Roles and Responsibilities.• Paragraph (4) - updated IRM link. IPU 25U3555 issued 08-13-2025
IRM 25.25.4.1.5, Program Controls	<ul style="list-style-type: none">• Paragraph (1) - spelled out acronyms.• Paragraph (2) - changed alpha list to bullet list. IPU 25U3555 issued 08-13-2025
IRM 25.25.4.1.6, Terms and Acronyms	Title - updated to Terms and Acronyms. IPU 25U3555 issued 08-13-2025
IRM 25.25.4.1.7, Related Resources	Paragraph (2) - removed. IPU 25U3555 issued 08-13-2025
IRM 25.25.4.2, Identity Theft Returns	<ul style="list-style-type: none">• Paragraph (1) - Removed. Information about Contact Employer and OUO regarding IRPTR notes isn't relevant in this subsection.• Paragraph (2) - Added additional MISC field WI AM OTHER.• Paragraph (2), (3), and (4) - Reorganized and reworded. IPU 25U3555 issued 08-13-2025

IRM Subsection	Material Change(s)
IRM 25.25.4.3, Identity Theft Return Categories	<ul style="list-style-type: none"> Paragraph (1) - Updated wording to make it easier to read. Paragraph (5) - Updated Category 7 definition. <p>IPU 25U3555 issued 08-13-2025</p>
IRM 25.25.4.4, Category 7 Process - Identity Theft Determination	<p>Removed subsection. All the information also exists in IRM 25.25.4.2, Identity Theft Returns.</p> <p>IPU 25U3555 issued 08-13-2025</p>
IRM 25.25.4.4, Identity Theft Category 7 - Single Return/ Deceased/X-REF - No Lost Refund Process	<ul style="list-style-type: none"> Paragraph (1) - Added note about 4674C letter not being sent in mass. Spelled out acronyms. Table - Added note about CC DUPED and updated IRM references. <p>IPU 25U3555 issued 08-13-2025</p>
IRM 25.25.4.5, Identity Theft Category 7 - Single Return/ Deceased/X-REF - Lost Refund Process	<ul style="list-style-type: none"> Paragraph (1) - Added note about 4674C letter not being sent in mass. Spelled out acronyms. Table - Added note about CC DUPED and updated IRM references. <p>IPU 25U3555 issued 08-13-2025</p>
IRM 25.25.4.6, Reversing Identity Theft Lost Refunds	<ul style="list-style-type: none"> Paragraph (1) - Split the information into separate paragraphs. Paragraph (2) - Removed reference to Form 3809. Added bullet list. Paragraph (3) - Split from paragraph (1), added another IRM reference. <p>Note: IRM 25.25.4.4 was removed, resulting in a change to the subsection numbers. IRM 25.25.4.7 is now IRM 25.25.4.6, Reversing Identity Theft Lost Refunds.</p> <p>IPU 25U3555 issued 08-13-2025</p>

IRM Subsection	Material Change(s)
Exhibit 25.25.4-1, Miscellaneous Fields Used When Inputting Transaction Code (TC) 971 Action Code (AC) 506	<ul style="list-style-type: none"> Removed step list (only one item listed). Added paragraph with table description. Table - Updated formatting. IPU 25U3555 issued 08-13-2025
Exhibit 25.25.4-2, Miscellaneous Fields Used when Inputting Transaction Code (TC) 972 Action Code (AC) 506	<ul style="list-style-type: none"> Removed step list (only one item listed). Added paragraph with table description. IPU 25U3555 issued 08-13-2025
Throughout	Made various editorial changes including: <ul style="list-style-type: none"> Incorporated plain writing techniques Updated web addresses and references Corrected capitalization, typos, grammar, etc. IPU 25U3555 issued 08-13-2025

EFFECT ON OTHER DOCUMENTS

IRM 25.25.4 dated January 01, 2025 is superseded. This IRM incorporates the following IRM Procedural Updates (IPU) IPU 25U3555 issued 08-13-2025.

AUDIENCE

Campus employees in Return Integrity Verification Operations (RIVO)

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25.25.4

Return Integrity & Verification Identity Theft Return Procedures

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25.25.4.1
(11-21-2022)
Program Scope and Objectives

- (1) Purpose and Program Goals: This IRM section provides guidance for Return Integrity Verification Operations (RIVO) employees when resolving Individual Master File (IMF) Identity Theft (IDT) returns in the Electronic Fraud Detection System (EFDS) and the Scheme Tracking and Referral System (STARS).
- (2) Audience: The intended audience for this IRM is RIVO employees.
- (3) Policy Owner: The Return Integrity Verification Program Management (RIVPM) is the policy owner of this program.
- (4) Program Owner: RIVPM is the program office responsible for oversight over this program.
- (5) Primary Stakeholders: The primary stakeholders are RIVO, and organizations that collaborate with RIVO.
- (6) Program Goals: Program goals for the program are in the Operation Guidelines as well as IRM 1.4.10, Return Integrity and Verification Operation Managers Guide.

25.25.4.1.1
(09-17-2019)
Background

- (1) RIVPM strengthens the integrity of the tax system by:
 - Protecting the public interest by improving IRS's ability to detect and prevent improper refunds.
 - Serving the public interest by taking actions fairly and appropriately to identify, evaluate and prevent the issuance of improper refunds.
 - Helping taxpayers understand the refundable tax credits for which they are eligible.

25.25.4.1.2
(08-13-2025)
Authority

- (1) The following references provide authority for RIVO:
 - IRM 1.2.1.5.10, Policy Statement 4-21
 - IRM 1.2.2, Servicewide Policies and Authorities, Servicewide Delegations of Authority
 - IRM 11.3.21.9, Contractual Disclosures for Investigative Purposes
 - IRM 1.1.13.4, Return Integrity & Compliance Services (RICS)
 - IRC 6402(a), Authority to make credits or refunds
 - IRC 6401, Amounts treated as overpayments
 - IRC 6404, Abatements of tax
 - IRC 6213, Requirements for a statutory notice, including math error authority

25.25.4.1.3
(08-13-2025)
Roles and Responsibilities

- (1) RIVPM has responsibility for information in this IRM. Information is published in the IRM on a yearly basis.
- (2) The Director of RIVPM manages for the policy related to this IRM.
- (3) The Chief of the RIVPM Policy & Analysis ensures this IRM is timely submitted to publishing each year.
- (4) More information can be found in IRM 1.1.13.4, Return Integrity & Compliance Services.

25.25.4.1.4
(09-23-2020)

**Program Management
and Review**

- (1) The program has reports, such as RIVO Monthly Performance Comparison Report, to track the inventory, including receipts and closures. Other report guidance is found in IRM 1.4.10, Return Integrity & Verification Operation Managers Guide.
- (2) The Embedded Quality (EQ) review program is in place to review all processes to ensure accuracy and effectiveness of the program. Goals, measures, and operating guidelines are listed in the yearly Operation Guidelines and 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.

25.25.4.1.5
(08-13-2025)

Program Controls

- (1) Revenue Protection, Return Integrity Verification Operations (RIVO), IDT Return area will administer program controls, including overall program administration, income verification, notification to potential identity theft victims, reports to track inventory, and a quality control program in place to review all processes, to ensure accuracy and effectiveness. Additionally, access to the program information stored on the SharePoint site, EFDS, STARS, and Electronic File Storage (EFS) is protected by limiting access to those individuals that manage the program and RIVO employees.
- (2) The following activities help ensure program success:
 - Conducting annual policy reviews
 - Protecting the public interest by improving IRS's ability to detect and prevent improper refunds
 - Serving the public interest by taking actions fairly and appropriately to identify, evaluate and prevent the issuance of improper refunds
 - Helping taxpayers understand the refundable tax credits for which they are eligible
 - Maintaining related IRMs
 - Providing training to RIVO employees

25.25.4.1.6
(08-13-2025)

Terms and Acronyms

- (1) For a list of Acronyms used throughout RIVO, see IRM 25.25.1.1.6, Acronyms.

25.25.4.1.7
(08-13-2025)

Related Resources

- (1) The related resources listed below may be utilized for account research and issue resolution. These related resources may be accessed through the IRS Intranet-Servicewide Electronic Research Program (SERP) site.
 - IRM 25.25, Revenue Protection
 - IRM 25.23, Identity Protection and Victim Assistance
 - IRM 25.6, Statute of Limitations
 - IRM 21, Customer Account Services
 - IRM 2, Information Technology
 - IRM 3, Submission Processing
- (2) Integrated Data Retrieval System (IDRS) restricted access accounts are accounts where a user must request special permissions to access the account through IDRS. Follow IRM 21.2.1.3.2, Authorized IDRS Access.
- (3) The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental

rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights*.

25.25.4.2 (08-13-2025) Identity Theft Returns

- (1) Identity theft (IDT) occurs when a return is filed by someone who is not the true taxpayer without the Taxpayer Identification Number (TIN) owner's knowledge/consent.
- (2) An IDT determination has been made by RIVO when the account contains an unreversed transaction code (TC) 971 action code (AC) 506 with one of the following MISC fields:
 - WI PRP OTHER1
 - WI IVO RFND
 - WI PRP DDB
 - WI AM OTHER
 - WI AM TAP OMM
 - WI IVO OMM
 - WI IVO OMMGB

Note: Operation Mass Mailing (OMM) miscellaneous notes are no longer used, however they may appear on older accounts
- (3) Taxpayers may notify the IRS if they are a victim or potential victim of IDT. The following are some ways to determine an IDT filing has occurred:
 - RIVO IDT markers in paragraph (2) above.
 - Internal referrals from other areas, such as Compliance, who have made an IDT determination through their research.
 - Special agent information is received.
 - Duplicate filing condition (-A Freeze) is present on the account, indicating two returns have been filed for the same TIN and tax period. Often, one return is filed by the true taxpayer and one by someone using the true taxpayers information without permission.
 - Signed Form 14039, Identity Theft Affidavit, or other signed correspondence, submitted by the taxpayer, stating they have been a victim of identity theft.

25.25.4.3 (08-13-2025) Identity Theft Return Categories

- (1) Potential IDT returns are separated by categories in EFDS for the purpose of identifying, referring, or adjusting Master File (MF) accounts for RIVO. The category determines the inventory type in EFDS.

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25.25.4.4
(08-13-2025)
Identity Theft Category 7
— Single
Return/Deceased/X-REF
- No Lost Refund
Process

- (1) An IDT return posted, the refund was stopped, and the true taxpayer did not file a return or filed jointly under a cross-reference (X-REF) TIN. Check Integrated Data Retrieval System (IDRS) and Account Management Services (AMS) to review the account information and determine if the case involves a single return, deceased taxpayer or X-REF TIN joint filing issue.

Note: When resolving an IDT case manually, include the correct actions to resolve the account if the issues below are present:

- If the IDT return filing status is Married Filing Jointly (MFJ) or Married Filing Separate (MFS) and the spousal name listed is not the spouse of the primary taxpayer, correct the filing status and name line on the primary TIN to remove the spousal information. Follow the IDT instructions below as applicable on the spousal TIN to input the IDT marker, correct the address and send Letter 4674C, IRS Identified ID Theft Post-Adjustment Letter, as appropriate.

Note: Cases closed in mass using the IAT ID Theft Tool will not be sent a Letter 4674C.

- If the IDT return filing status is MFJ or MFS and the spousal name listed is the spouse of the primary taxpayer, follow the instructions below for input to the spousal account to input the IDT marker, correct the address and send Letter 4674C, IRS Identified ID Theft Post-Adjustment Letter, as appropriate.

Note: For MFJ cases, issue one Letter 4674C to the joint name line.

- If in reviewing the account, it is identified that other tax periods with RIVO involvement are affected by IDT, then **all** affected active tax years must be resolved at the same time.

Note: Active tax years are tax years with an open issue, such as a credit or debit balance.

IF	THEN
<p>1 Single return or Deceased taxpayer with no X-REF SSN</p>	<ol style="list-style-type: none"> Reverse all offsets and credit transfers. For Treasury Offset Program (TOP) Offsets, see IRM 21.4.6.5.1.2.4, TOP Offset Reversals Involving ID Theft and ID Theft with Fraudulent Returns. For credit transfers see IRM 21.5.8, Credit Transfers, include a TC 570 as required. Update CC DUPED as required for primary, secondary and dependents, see IRM 21.6.1.7.1, Command Code (CC) DUPED. Note: CC DUPED may only be used for the current processing year. See IRM 2.4.53.2, Command Code DUPED, for additional information. If not deceased, update CC ENMOD to the confirmed good address provided by the TIN owner. If no confirmed good address was provided, update the address to the Service Center Address. See IRM 25.23.2.3.7, When to Update the Victim's Address. Exception: If there is no current contact with the TIN owner and the year being resolved is an older (prior) year and the account contains non-IDT subsequent or current year filings, do not change the address to the Service Center Address, leave the address as it is on CC ENMOD. Input Transaction Code (TC) 971 Action Code (AC) 850. Input an adjustment to zero out the data on the module, include a Reason Code (RC) 139, a Hold Code (HC) "4", and a Posting Delay (PD) code of "1", on the adjustment. If the IDT return contained Premium Tax Credit (PTC) or Shared Responsibility Payment (SRP) amounts, see IRM 21.6.3.4.2.12, Premium Tax Credit. Send Letter 4674C to the taxpayer. If the address is updated to the Service Center address, do not send Letter 4674C. Exception: If the account contains an unreversed TC 971 AC 527 with MISC field "WI BREACH DSABLD", see IRM 25.23.2.8.6.1.1, Resolving Tax-Related Accounts with TC 971 AC 527 WI BREACH DSABLD, for more guidance. Do not send a Letter 4674C to a deceased taxpayer. Letters for deceased taxpayers should only be sent to the deceased taxpayer's representative or surviving spouse. Input a TC 971 AC 506 with the correct MISC field, see Exhibit 25.25.4-1, Miscellaneous Fields Used When inputting TC 971 AC 506. (Do not input a TC 971 AC 506 when a TC 971 AC 524 is being input on the account.) If the taxpayer was deceased prior to the tax year, then input a TC 971 AC 524, with the MISC field, "WI PREREF DECD", (Return Integrity Compliance Services (RICS) only). See Exhibit 25.23.2-14, TC 971 AC 524 - Locking SSNs - Applies to IMF Accounts Only. Update the STARS Return Status Disposition to Cat "7", "CL". Update EFDS notes properly. Input/Update Accounts Management Services (AMS) notes per IRM 21.2.2.4.5(10), Account Management Services (AMS). Close all RIVO IDRS control bases.

IF	THEN
2 Single return or Deceased taxpayer with X-REF SSN	<ol style="list-style-type: none"> 1. Reverse all offsets and credit transfers. For TOP Offsets, see IRM 21.4.6.5.1.2.4, TOP Offset Reversals Involving ID Theft and ID Theft with Fraudulent Returns. For credit transfers see IRM 21.5.8, Credit Transfers, include a TC 570 as required. 2. Update CC DUPED as required for primary, secondary and dependents, see IRM 21.6.1.7.1, Command Code (CC) DUPED. Note: CC DUPED may only be used for the current processing year. See IRM 2.4.53.2, Command Code DUPED, for additional information. 3. If not deceased, update CC ENMOD to the confirmed good address provided by the TIN owner. If no confirmed good address was provided, update the address to the Service Center Address. See IRM 25.23.2.3.7, When to Update the Victim's Address. Exception: If there is no current contact with the TIN owner and the year being resolved is an older (prior) year and the account contains non-IDT subsequent or current year filings, do not change the address to the Service Center Address, leave the address as it is on CC ENMOD. 4. Input TC 971 AC 850. 5. Input an adjustment to zero out the data on the module include RC "139", a HC "4", and a PD code of "1", on the adjustment. 6. If the IDT return contained PTC or SRP amounts, see IRM 21.6.3.4.2.12, Premium Tax Credit. 7. Send Letter 4674C to the taxpayer. If the address is updated to the Service Center address, do not send Letter 4674C. Exception: If the account contains an unreversed TC 971 AC 527 with MISC field "WI BREACH DSABLD", see IRM 25.23.2.8.6.1.1, Resolving Tax-Related Accounts with TC 971 AC 527 WI BREACH DSABLD, for more guidance. 8. Do not send Letter 4674C to a deceased taxpayer. Letters for deceased taxpayers should only be sent to the deceased taxpayer's representative or surviving spouse. 9. Input a TC 971 AC 506 with the correct MISC field, see Exhibit 25.25.4-1, Miscellaneous Fields Used When inputting TC 971 AC 506. (Do not input a TC 971 AC 506 when a TC 971 AC 524 is being input on the account.) 10. If the taxpayer was deceased prior to the tax year, input a TC 971 AC 524, with the MISC field, "WI PREREF DECD", (RICS only). See Exhibit 25.23.2-14, TC 971 AC 524 - Locking SSNs - Applies to IMF Accounts Only. 11. If a credit is available on the X-REF SSN account, review the account and determine if the credit should be released. Take the proper actions to release or credit elect the overpayment see IRM 21.6.3.4.2.1, Outstanding Balance Considerations Prior to Refund or Credit-Elect. Do not release any credits that may be held by another function. 12. Update STARS Return Status Disposition to Cat "7", "CL", Update EFDS notes as appropriate. 13. Input/Update AMS notes correctly per IRM 21.2.2.4.5(10), Account Management Services (AMS). 14. Close all RIVO IDRS control bases.

25.25.4.5

(08-13-2025)

**Identity Theft Category 7
— Single****Return/Deceased/X-REF
- Lost Refund Process**

- (1) An IDT return posted, the refund was not stopped, and the true taxpayer did not file a return or filed jointly under a X-REF SSN. Check IDRS and review the account information to determine if the case involves a single, deceased or X-REF SSN joint filing issue.

Note: When resolving an IDT case manually, include the proper actions to resolve the account if the issues below are present:

- If the IDT return filing status is MFJ or MFS and the spousal name listed is not the spouse of the primary taxpayer, correct the filing status and name line on the primary SSN to remove the spousal information. Follow the IDT instructions below as applicable on the spousal SSN to input the IDT marker, correct the address and send Letter 4674C as appropriate. See IRM 25.23.2.3.7, When to Update the Victim's Address.

Note: Cases closed in mass using the IAT ID Theft Tool will not be sent a Letter 4674C.

- If the IDT return filing status is MFJ or MFS and the spousal name listed is the spouse of the primary taxpayer, follow the instructions below for input to the spousal account to input the IDT marker, correct the address and send Letter 4674C, as appropriate.

Note: For MFJ cases, issue one Letter 4674C to the joint name line.

- If in reviewing the account, it is identified that other tax periods with RIVO involvement are affected by IDT, then all affected active tax years must be resolved at the same time.

Note: Active tax years are tax years with an open issue, such as a credit or debit balance.

Caution: Check CC TXMODA for a history item or an open control base containing "BKLD", for an indication of RIVO's External Lead Process. This notation could indicate a potential TC 720 or a TC 841 may be posting to the module and require contact with the External Lead Point of Contact (POC). See SERP Job Aids, RIVO, *External Lead Points of Contact*, for more guidance.

IF	THEN
1 Single return or Deceased taxpayer with no X-REF SSN	<ol style="list-style-type: none"> Reverse all offsets and credit transfers. For TOP Offsets, see IRM 21.4.6.5.1.2.4, TOP Offset Reversals Involving ID Theft and ID Theft with Fraudulent Returns. For credit transfers see IRM 21.5.8, Credit Transfers, include a TC 570 as required. Reverse any lost refunds using CC IDT48/CC IDT58/CSO48/CSO58/ELP45 as appropriate, see IRM 2.4.61, Command Code IDT48/IDT58/RPM48/RPM58/CSO48/CSO58/ELP45. Update CC DUPED as required for primary, secondary and dependents as appropriate, see IRM 21.6.1.7.1, Command Code (CC) DUPED. Note: CC DUPED may only be used for the current processing year. See IRM 2.4.53.2, Command Code DUPED, for additional information. If not deceased, update CC ENMOD to the confirmed good address provided by the TIN owner. If no confirmed good address was provided, update the address to the Service Center Address. See IRM 25.23.2.3.7, When to Update the Victim's Address. Exception: If there is no current contact with the TIN owner and the year being resolved is an older (prior) year and the account contains non-IDT subsequent or current year filings, do not change the address to the Service Center Address, leave the address as it is on CC ENMOD. Input TC 971 AC 850. Input an adjustment to zero out the data on the module, include a RC "139", a HC "4", and a PD code of "1", on the adjustment. If the IDT return contained PTC or SRP amounts, see IRM 21.6.3.4.2.12, Premium Tax Credit. Send a Letter 4674C to the taxpayer. If the address is updated to the Service Center address, do not send Letter 4674C. Exception: If the account contains an unreversed TC 971 AC 527 with MISC field "WI BREACH DSABLD", see IRM 25.23.2.8.6.1.1, Resolving Tax-Related Accounts with TC 971 AC 527 WI BREACH DSABLD, for more guidance. Do not send Letter 4674C to a deceased taxpayer. Letters for deceased taxpayers should only be sent to the deceased taxpayer's representative or surviving spouse. Input a TC 971 AC 506 with the correct MISC field, see Exhibit 25.25.4-1, Miscellaneous Fields Used When inputting Transaction Code (TC) 971 Action Code (AC) 506. (Do not input a TC 971 AC 506 when a TC 971 AC 524 is being input on the account.) If the taxpayer was deceased prior to the tax year, input a TC 971 AC 524, with the MISC field, "WI PREREF DECD", (RICS only). See Exhibit 25.23.2-14, TC 971 AC 524 - Locking SSNs - Applies to IMF Accounts Only. Update STARS Return Status Disposition to Cat "7", "CL". Update the EFDS notes as appropriate. Input/Update AMS notes as appropriate per IRM 21.2.2.4.5(10), Account Management Services (AMS). Close all RIVO IDRS control bases.

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IF	THEN
2 Single return or Deceased taxpayer with X-REF SSN	<ol style="list-style-type: none"> Reverse all offsets and credit transfers. For TOP Offsets, see IRM 21.4.6.5.1.2.4, TOP Offset Reversals Involving ID Theft and ID Theft with Fraudulent Returns. For credit transfers see IRM 21.5.8, Credit Transfers, include a TC 570 as required. Reverse any lost refunds using CC IDT48/CC IDT58/CSO48/CSO58/ELP45 as appropriate. IRM 2.4.61, Command Code IDT48/IDT58/RPM48/RPM58/CSO48/CSO58/ELP45. Update CC DUPED as required for primary, secondary and dependents, see IRM 21.6.1.7.1, Command Code (CC) DUPED. Note: CC DUPED may only be used for the current processing year. See IRM 2.4.53.2, Command Code DUPED, for additional information. If not deceased, update CC ENMOD to the confirmed good address provided by the TIN owner. If no confirmed good address was provided, update the address to the Service Center Address. See IRM 25.23.2.3.7, When to Update the Victim's Address. Exception: If there is no current contact with the TIN owner and the year being resolved is an older (prior) year and the account contains non-IDT subsequent or current year filings, do not change the address to the Service Center Address, leave the address as it is on CC ENMOD. Input TC 971 AC 850. Input an adjustment to zero out the data on the module include RC "139", a HC "4", and a PD code of "1", on the adjustment. If the IDT return contained PTC or SRP amounts, see IRM 21.6.3.4.2.12, Premium Tax Credit. Send Letter 4674C to the taxpayer. If the address is updated to the Service Center address, do not send Letter 4674C. Exception: If the account contains an unreversed TC 971 AC 527 with MISC field "WI BREACH DSABLD", see IRM 25.23.2.8.6.1.1, Resolving Tax-Related Accounts with TC 971 AC 527 WI BREACH DSABLD. Do not send Letter 4674C to a deceased taxpayer. Letters for deceased taxpayers should only be sent to the deceased taxpayer's representative or surviving spouse. Input a TC 971 AC 506 with the correct MISC field, see Exhibit 25.25.4-1, Miscellaneous Fields Used When inputting Transaction Code (TC) 971 Action Code (AC) 506. (Do not input a TC 971 AC 506 when a TC 971 AC 524 is being input on the account.) If the taxpayer was deceased prior to the tax year, input a TC 971 AC 524, with the literal, "WI PREREF DECD", (RICS only). See Exhibit 25.23.2-14, TC 971 AC 524 - Locking SSNs - Applies to IMF Accounts Only. If a credit is available on the X-REF SSN account, review the account and determine if the credit should be released. Take the correct actions to release or credit elect the overpayment see IRM 21.6.3.4.2.1, Outstanding Balance Considerations Prior to Refund or Credit-Elect. Do not release any credits that may be held by another function. Update the STARS Return Status Disposition to Cat "7", "CL", Update the EFDS notes as appropriate.

IF	THEN
	14. Input/Update AMS with the proper notes per IRM 21.2.2.4.5(10), Account Management Services (AMS). 15. Close all RIVO IDRS control bases.

25.25.4.6
(08-13-2025)
**Reversing Identity Theft
Lost Refunds**

- (1) In cases where an IDT return was filed and the refund was lost, the refund needs to be moved off the good taxpayer's account. This must be done to ensure the account reflects only the good taxpayer's information.
- (2) Use CC IDT48 and CC IDT58 to move refunds lost from the account. These CC's credit the TIN owner's account and move the refund to the General Ledger (GL) 1545 account.
 - **CC IDT48** is used to move an entire refund
 - **CC IDT58** is used to move the unrecoverable portion of a partially recovered refund

Exception: If the lost refund is the result of an irreversible child support offset use CC CSO48 and CC CSO58. See IRM 2.4.61.8 , Command Code CSO48 - Request Formatted Input Screen, and IRM 2.4.61.9, Command Code CSO58 - Request Formatted Input Screen for additional information.

- (3) Use CC CMODE to direct the request to the service center where the taxpayers refund originated. See IRM 2.4, IDRS Terminal Input, and IRM 2.4.61.1.6, Terms and Acronyms, for additional information.
- (4) In certain circumstances, it may be necessary to reverse previous actions taken that debited the GL 1545 account with the posting of a TC 841 or TC 700 to the tax account (e.g., duplicate TC 841 or actual credit has been returned to the module, etc.). To reverse a TC 841 or TC 700 posted in error, see IRM 25.23.4.16, Form 3245/3809 Reversals.

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Exhibit 25.25.4-1 (08-13-2025)

Miscellaneous Fields Used When Inputting Transaction Code (TC) 971 Action Code (AC) 506

The chart describes the reasons and values of the miscellaneous (MISC) fields when a TC 971 AC 506 is input. For more information, see IRM 25.23.2-8, IMF Only TC 971 AC 506 — IRS Determined Tax-Related Identity Theft Case Closure.

Description	TC 971 AC 506 MISC Field
1 An IDT return was filed but no return was filed by the TIN owner and no confirmed good address has been provided	WI IVO RFND
2 An IDT return was filed and a return was filed by the TIN owner or a confirmed good address has been provided for the TIN owner <ul style="list-style-type: none">If the account contains an unreversed TC 971 AC 527 with MISC field "WI BREACH DSABLD", see row 4 below Note: The MISC field "OTHER1" will issue an IP PIN Notice CP 01A to the taxpayer see IRM 25.23.2.4.1, Tracking and Reporting Identity Theft Cases - Identity Theft Indicators	WI PRP OTHER1
3 An IDT return was filed and was selected by the Taxpayer Protection Program (TPP) processes and there is no return filed by the TIN owner and no confirmed good address for the TIN owner	WI PRP DDB
4 There is an unreversed TC 971 AC 527 with MISC field "WI BREACH DSABLD" on CC ENMOD	WI AM OTHER
5	WI IVO OMM WI AM TAP OMM Note: These literals may appear on CC ENMOD, but are no longer used when inputting new IDT markers

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Exhibit 25.25.4-1 (Cont. 1) (08-13-2025)
Miscellaneous Fields Used When Inputting Transaction Code (TC) 971 Action Code (AC) 506

Description	TC 971 AC 506 MISC Field
6 Note: The MISC field “OMMGB” will issue an IP PIN Notice CP 01A to the taxpayer, see IRM 25.23.2.4.1, Tracking and Reporting Identity Theft Cases - Identity Theft Indicators	WI IVO OMMGB Note: This literal may appear on CC ENMOD, but is no longer used when inputting new IDT markers

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Exhibit 25.25.4-2 (08-13-2025)

Miscellaneous Fields Used When Inputting Transaction Code (TC) 972 Action Code (AC) 506

The miscellaneous field indicates the reason for the reversal. See the table below for the various input reasons and the related MISC field input.

Description	TC 972 AC 506 MISC Field
1 The taxpayer requests the TC 971 be reversed Note: Only reverse the TC 971 AC 506 after explaining to the taxpayer the risks of not having the IDT protection on the account	WI IVO TPRQ
2 The TC 971 was due to a typographical mistake or another internal error	WI IVO IRSERR
3 The TC 971 is causing a negative impact on another internal process or system and must be reversed to discontinue the negative impact	WI IVO IRSADM
4 The original IDT incident claim was determined to be fraudulent	WI IVO FALSE
5 The reason for the TC 971 reversal does not meet any of the above reason descriptions	WI IVO OTHER

