



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

25.25.11

NOVEMBER 16, 2023

## EFFECTIVE DATE

(01-01-2024)

## PURPOSE

- (1) This transmits revised IRM 25.25.11, Revenue Protection, Withholding Work Only (WOW) (Notice CP 05A) Procedures

## MATERIAL CHANGES

- (1) IRM 25.25.11.1.6, Related Resources - Updated email address to send special IDRS access to the Policy & Analysis- IPU 23U0582 issued 05-04-2023.
- (2) IRM 25.25.11.2, Withholding Only Work (WOW) Overview - Updated guidance for working notice CP 05A responses pertaining refundable credits- IPU 23U0582 issued 05-04-2023.
- (3) IRM 25.25.11.6, Rejects - Updated -O freeze process- IPU 23U0967 issued 09-21-2023.
- (4) Editorial changes made throughout the IRM section.

## EFFECT ON OTHER DOCUMENTS

IRM 25.25.11 dated November 21, 2022 (effective date 01-03-2023) is superseded. This IRM includes the following IRM Procedural Updates (IPUs), IPU 23U0582 issued 05-04-2023, IPU 23U0967 issued 09-21-2023.

## AUDIENCE

Campus employees in Return Integrity Verification Operations, Return Integrity and Compliance Services

Denise D. Davis  
Director, Return Integrity Verification Program Management  
Wage and Investment Division



25.25.11

Withholding Only Work (WOW) (Notice CP 05A) Procedures

## Table of Contents

25.25.11.1 Program Scope and Objectives

25.25.11.1.1 Background

25.25.11.1.2 Program Management and Review

25.25.11.1.3 Authority

25.25.11.1.4 Responsibilities

25.25.11.1.5 Acronyms

25.25.11.1.6 Related Resources

25.25.11.2 Withholding Only Work (WOW) Overview

25.25.11.3 Notice CP 05A Responses

25.25.11.3.1 Notice CP 05A - Identity Theft Response

25.25.11.3.2 Notice CP 05A - Non-Identity Theft Response

25.25.11.4 Letter 105C/106C Responses

25.25.11.5 Statute Imminent / Statute Expired

25.25.11.6 Rejects

Exhibits

25.25.11-1 Withholding Only Work (WOW) Reject Codes



25.25.11.1  
(01-25-2022)  
**Program Scope and Objectives**

- (1) Purpose and Program Goals: Effective January 1, 2022, this IRM section provides guidance for Return Integrity Verification Operations (RIVO) employees when verifying individual master file returns for possible false federal withholding. Individual master file returns are scored through the Dependent Database (DDb) or through the Return Review Program (RRP) system. These selection processes identify suspicious returns exceeding certain tolerances for false or inflated withholding claimed on returns.
  - Prior to January 1, 2022, this program identified suspicious tax returns exceeding certain tolerances for false or inflated wages and/or withholding claimed on returns.
- (2) Audience: The audience intended in 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 of this program.

25.25.11.1.1  
(03-24-2020)  
**Background**

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

25.25.11.1.2  
(10-10-2017)  
**Program Management and Review**

- (1) The program has reports to track the inventory, including receipts and closures.
- (2) A quality control program is in place to review all processes to ensure accuracy and effectiveness.

25.25.11.1.3  
(02-28-2018)  
**Authority**

- (1) Refer to the following:
  - IRM 1.2.1.5.10, *Policy Statement 4-21, Selection of returns for examination*
  - IRM 1.1.13, *Organization and Staffing, Wage and Investment Division.*
  - Various Internal Revenue Codes (IRC) including but not limited to:
    - IRC 6402(a), *Authority to make credits or refunds*
    - IRC 6401, *Amounts treated as overpayments*
    - IRC 6404, *Abatements of tax*
    - IRC 6213, *Restrictions on assessments and math error authority*

25.25.11.1.4  
(03-24-2020)  
**Responsibilities**

- (1) Return Integrity Verification Program Management (RIVPM) has responsibility for information in this IRM. Information is published in the IRM on a yearly basis.
- (2) The Director of RIVPM is responsible for the policy related to this IRM.

- (3) The Chief of the RIVPM Policy & Analysis is responsible for ensuring this IRM is timely submitted to publishing each year.
- (4) More information can be found in IRM 1.1.13.5, *Return Integrity and Compliance Services*.

25.25.11.1.5  
(03-24-2020)

#### Acronyms

- (1) For a list of Acronyms used throughout Return Integrity Verification Operations (RIVO) see IRM 25.25.1.1.6, *Acronyms*.

25.25.11.1.6  
(05-04-2023)

#### Related Resources

- (1) The related resources listed below must be used for account research and issue resolution. These related resources must be accessed through the IRS Intranet-Service-wide Electronic Research Program (SERP) site.
- IRM 25.25, *Revenue Protection*
  - IRM 25.23, *Identity Protection and Victim Assistance*
  - IRM 21, *Customer Account Services*
  - IRM 2, *Information Technology*
  - IRM 3, *Submission Processing*
  - IRM 4, *Examining Process*
- (2) 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*.

#  
#  
#

25.25.11.2  
(05-04-2023)

#### Withholding Only Work (WOW) Overview

- (1) When Return Integrity Verification Operations (RIVO) identifies a return containing questionable withholding only a Notice CP 05A, *Information Regarding Your Refund - Refund Being Held Pending More Thorough Review* may be sent to the taxpayer at the address of record. The Notice CP 05A requests more information to support the withholding claimed on the return and the case is suspended for 60 days.
- (2) When no response is received for the Notice CP 05A within the allotted time, the following actions are taken:
- The return is systemically dispositioned in the Electronic Fraud Detection System (EFDS) to be worked via the Withholding Only Work (WOW) Tool.
  - The WOW Tool will adjust the account based on the withholding data in the Information Returns Master File (IRMF) perfected by RIVO as needed, and issue a Letter 105C, *Claim Disallowed*, or a Letter 106C, *Claim Partially Disallowed*, correctly, to the taxpayer.
- Note:** If the WOW Tool cannot adjust the account due to issues on IRMF or Integrated Data Retrieval System (IDRS), the case must be placed on a reject file to be worked manually by RIVO. See Exhibit 25.25.11-1, *Withholding Only Work (WOW) Reject Codes*, for list of codes.

See IRM 25.25.11.6, *Rejects*, for more guidance for addressing the WOW issue on the tool rejected cases.

- (3) Correspondence received in response to the Notice CP 05A are resolved by RIVO per the procedures in this IRM.

**Note:** Notice CP 05A responses on cases worked in the WOW program could contain refundable credits. Any case containing refundable credits that received a CP 05A or was previously referred to WOW through EFDS (i.e., STARS dispositions AA, BA, MA, and WA) or due to inventory management (i.e., Headquarters referral from AQC or Exam) should **not** be referred to another treatment stream. The WOW program will **only** adjust the unverified withholding. The WOW program does not adjust refundable credits. **Do not** contact RIVO employee who input the adjustment, the majority of these cases are ran through a batch tool. Instead follow normal procedures (i.e., amended return, math error response, etc.).

25.25.11.3  
(11-21-2022)  
**Notice CP 05A  
Responses**

- (1) Responses to Notice CP 05A, *Information Regarding Your Refund - Refund Being Held Pending More Thorough Review*, received by mail, fax, Documentation Upload Tool (DUT), Form 4442, *Inquiry Referral*, or Operations Assistance Request (OAR), must be processed by Return Integrity Verification Operations (RIVO).
- (2) If a third party, such as the taxpayer's employer, who is not the taxpayer's authorized representative, responds to the Notice CP 05A and requests withholding substantiation information or other information about the taxpayer's return or account, the IRS cannot provide that information or any other specific information about the taxpayer or their return. The IRS can advise the third party that, in general, the IRS needs the following documentation to substantiate a taxpayer's reported withholding:
- A copy or copies of a wage statement for the year of the return.
  - A letter from the employer on the company letter head. Letters from employers must have company letter head and show withholding amount. Regardless of verification method, the taxpayer must provide a name and telephone number of an employer contact.
  - Similar statements such as pay stubs must show employer information including Employer Identification Number (EIN) and a contact name and telephone number. Pay stubs also must show the taxpayer information, including taxpayer identification number (TIN).
- (3) All incoming Notice CP 05A responses must be controlled on IDRS to RIVO using category "CP5A" and the received date of the correspondence. Open an IDRS control using the following IDRS numbers/Activity codes:
- For Paper: 1486100007/WOWXXXXXXX (X is the batch number)
  - For e-Fax: 1486100008/WOWFAXMMDD (MMDD is the received date)
  - For DUT: 1486100009/WOWDUTMMDD (MMDD is the received date)
- (4) CP 05A correspondence and referrals must be sorted or resolved per the chart below:

If	Then
<p><b>1</b> The letter or notice is returned undeliverable (may have a yellow sticker from the post office)</p>	<p>Destroy the notice or letter as classified waste, per IRM 21.5.1.4.10, <i>Classified Waste</i>.</p>
<p><b>2</b> The mail is 'misdirected' mail not in response to an RIVO letter or addressed by the taxpayer to an RIVO stop number</p>	<p>Return the mail to the originating function or forward to correct area. See <i>Austin Document Routing Guide (DRG)</i> for more forwarding information.</p>
<p><b>3</b> There is a -L Freeze condition on the account</p>	<ul style="list-style-type: none"> <li>• Review CC AMDISA to determine the status of the Examination (Exam) case. Route the response to Exam per the AIMS Status Code and the QRP Source and Project Code. See IRM 4.19.14.9.2, <i>QRP Source Code and Project Codes</i>, and <i>Small Business Self Employed (SBSE)</i> for more guidance and routing information.</li> <li>• If a prior return filing is found, input return notes in and if necessary, complete the verification process. Push the return to Scheme and update the return disposition to "CAT 5 CL".</li> <li>• Input/Update Account Management Services (AMS) notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

If	Then
<p><b>4</b>                      There is a -A Freeze condition and/or an open control to Accounts Management (AM) on the account</p>	<ul style="list-style-type: none"> <li>• Review the case image in Accounts Management Services (AMS) to determine if the information provided in the response is necessary for AM to resolve their case. If the information is already present or is available on AMS or IDRS, classify waste the response. If a Form 14039 is attached with an original signature and it is not present in AMS images, route the Form 14039 to the Image Control Team (ICT) using the Form 12305, <i>Routing Slip</i>. If the AMS image contains a Form 14039, destroy the Form 14039 as classified waste. If the response includes a Form 1040X, <i>Amended U.S. Individual Income Tax Return</i>, route the Form 1040X and envelope to ICT using the Exhibit 25.25.2-2, <i>1040-X Referral Return Form</i>.</li> <li>• Review the TIN in Scheme Tracking and Referral System (STARS) for a prior return filing for the same tax period. If a prior return filing is found, input return notes in EFDS and if necessary, complete the verification process. Push the return to Scheme and update the return disposition to "CAT 5 CL".</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>
<p><b>5</b>                      The reply indicates the taxpayer is a victim of identity theft (a Form 14039, Identity Theft Affidavit or similar statement)</p>	<p>See IRM 25.25.11.3.1, <i>Notice CP 05A - Identity Theft Response</i>.</p>
<p><b>6</b>                      The reply indicates the taxpayer filed the return</p>	<p>See IRM 25.25.11.3.2 <i>Notice CP 05A - Non-Identity Theft Response</i>.</p>

25.25.11.3.1  
 (03-16-2021)  
**Notice CP 05A - Identity Theft Response**

- (1) Taxpayer's may respond to the Notice CP 05A , *Information Regarding Your Refund - Refund Being Held Pending More Thorough Review*, with a Form 14039, *Identity Theft Affidavit*, or similar statement indicating they did not file a return or that their return could not be accepted electronically because another return was filed using their taxpayer identification number (TIN). Return Integrity Verification Operations (RIVO) will resolve the account using the procedures in this IRM.
- (2) If there is another open IDRS control base present on the module to a specific employee (disregard generic control bases), contact the controlling employee

prior to resolution to coordinate efforts in order to prevent erroneous or duplicate adjustments or actions. Refer to *IDRS - Unit and USR Database*, located on the SERP Home Page under the Who/Where tab to locate the employee.

- (3) If the taxpayer is requesting a copy of their return or the identity theft return, follow the instructions in IRM 21.2.3.5.8, *Transcripts and Identity Theft*.
- (4) Follow the instructions in the chart below to resolve the account and respond to the taxpayer:

If	And	Then
<p><b>1</b>                      The reply indicates the taxpayer is a victim of identity theft or has a Form 14039 attached.</p>	<p>No return for the taxpayer is attached to the response.</p>	<ul style="list-style-type: none"> <li>• Input return notes in STARS and update the disposition in STARS per IRM 25.25.5-1, <i>Triage Procedures</i>.</li> <li>• If the return is dispositioned in STARS to “MR”, open a control base using “EVFY” to the identity theft generic IDRS number for the team/site and route the correspondence to the team/site.</li> <li>• If the return is dispositioned in STARS to “AF”, input STARS notes, and destroy the correspondence as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.  <b>Exception:</b> If a Form 14039 with an original signature is present, route the response to the open RIVO control.</li> <li>• If the return is dispositioned to “CL” and the account was resolved as identity theft on IDRS and a Form 14039 with an original signature is present, associate the Form 14039 to the account adjustment using Form 9856, <i>Attachment Alert to Document Retention</i>. All other responses can be destroyed as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• For returns dispositioned to all other dispositions, if a Form 14039 with an original signature is present, associate the Form 14039 to the DLN of the TC 150 (if a paper DLN) otherwise send the Form to Alpha Files per IRM 3.5.61.21.10, <i>Identity Theft Returns - Alpha Files</i>.  <b>Exception:</b> If the signed Form 14039 is viewable in AMS images, destroy the form as classified waste.</li> <li>• If the account does not contain a posted return (TC 150) on MFT 30 for the tax period in question and a Form 14039 is viewable in AMS images, destroy the response (including any Form 14039 (signed or unsigned) as classified waste. If there is no image of a Form 14039 in AMS images, send the signed Form 14039 to Alpha Files per IRM 3.5.61.21.10, <i>Identity Theft Returns - Alpha Files</i>.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, Account Management Services (AMS).</li> <li>• Destroy the notice or letter and any internal documents as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Close the RIVO control base for the response.</li> </ul>

If	And	Then
<p><b>2</b> The reply indicates the taxpayer is a victim of identity theft or has a Form 14039 attached.</p>	<p>An original unprocessed return for the taxpayer is attached to the response.</p>	<ul style="list-style-type: none"> <li>• Detach the return, all necessary return attachments, (including the Form 14039) and the envelope from the reply and send the return to Submission Processing (SP) for pipeline treatment. See IRM 3.10.73.6(12), <i>Batching Unnumbered Returns and Documents</i>, for procedures to follow when forwarding returns to SP for processing.</li> <li>• Input return notes in STARS and if necessary, complete the verification process. Push the return to Scheme and update the return disposition to “CAT 5 CL”.</li> </ul> <p><b>Note:</b> If the return is in PS 49 (ID Theft Hold) take no action in EFDS.</p> <ul style="list-style-type: none"> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter and any internal documents as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Close the RIVO control base for the response.</li> </ul>
<p><b>3</b> The reply indicates the recipient on the letter does not live at that address.</p>		<ul style="list-style-type: none"> <li>• Update the disposition in STARS per IRM 25.25.5-1, <i>Triage Procedures</i>.</li> <li>• Destroy the notice or letter and any internal documents as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

25.25.11.3.2  
(11-21-2022)  
**Notice CP 05A -  
Non-Identity Theft  
Response**

- (1) Taxpayers may respond to the Notice CP 05A , *Information Regarding Your Refund - Refund Being Held Pending More Thorough Review*, with various forms or statements to substantiate the withholding claimed on the return, or the taxpayer may state an error was made and provide a corrected or amended return (Form 1040X, *Amended U.S. Individual Income Tax Return*). Return Integrity Verification Operations (RIVO) will resolve the account using the procedures in this IRM.
- (2) If an open IDRS control base is present on the module to a specific employee (disregard generic control bases), contact the controlling employee prior to resolution to coordinate efforts in order to prevent erroneous or duplicate adjustments or actions. Refer to *IDRS - Unit and USR Database*, located on the SERP Home Page under the Who/Where tab to locate the employee.
- (3) Follow the chart below for resolving non-identity theft replies:

**Note:** Research account for -O freeze. Do Not send disallowance during the disaster relief period. Do Not Disallow or Default accounts during the disaster relief period, unless agreed to by the taxpayer. See IRM 21.5.6.4.30. -O Freeze, for more information. Refer to *IRS Disaster Assistance Program*, for more information on disaster locations.

If	Then
<p><b>1</b>            A Form W-2 is submitted and the information can be verified per CC IRPTR or the Form W-2 is for an Individual taxpayer identification number (ITIN) return that has a “work assumed” social security number (SSN) and the Form W-2 verifies per Command Code (CC) IRPTR data or Social Security Administration Online Database (SSA_ORIS), see IRM 25.25.3, <i>Revenue Protection Verification Procedures for Individual Master File Returns</i></p> <p><b>Exception:</b> If contact with Third Party is necessary, please complete Form 12175, <i>Third Party Contact Report</i>. See IRM 25.25.3.9(3), <i>Manual Verification Procedures</i> for more instructions.</p>	<ul style="list-style-type: none"> <li>• Input notes as appropriate in STARS.</li> <li>• Release the refund.</li> </ul> <p><b>Note:</b> If inputting a TC 290 for zero to release the refund, input the adjustment as a source document (SD) and attach the correspondence to a screen print of the transmitted CC REQ54 and send to Files per local closed case procedures.</p> <ul style="list-style-type: none"> <li>• Update the return disposition to “DL” to have it removed from STARS. A reason must be entered in the return’s STARS Notes when requesting a return be deleted from STARS. See IRM 25.25.13-1 , STARS Delete Reasons.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> </ul> <p><b>Exception:</b> Do not classify waste the correspondence if a TC 290 for zero is input to release the refund. (See instructions above.)</p> <ul style="list-style-type: none"> <li>• Ensure all RIVO control bases are closed.</li> </ul>

If	Then
<p><b>2</b> Other information is provided such as Form 4852, Form 1099, pay stubs, letters from employers which contain the company name, address, employer identification number (EIN), name and SSN/ITIN of employee and is verifiable through research (CC IRPTR) or contact with the employer, and matches the information on the return. See IRM 25.25.3, Revenue Protection Verification Procedures for Individual Master File Returns</p> <p><b>Exception:</b> If contact with Third Party is necessary, please complete Form 12175, <i>Third Party Contact Report</i>. See IRM 25.25.3.9(3), <i>Manual Verification Procedures</i> for more instructions.</p>	<ul style="list-style-type: none"> <li>• Input notes correctly in STARS.</li> <li>• Release the refund.</li> </ul> <p><b>Note:</b> If inputting a TC 290 for zero to release the refund, input the adjustment as a source document (SD) and attach the correspondence to a screen print of the transmitted CC REQ54 and send to Files per local closed case procedures.</p> <ul style="list-style-type: none"> <li>• Update the return disposition to “DL” to have it removed from STARS. A reason must be entered in the return’s STARS Notes when requesting a return be deleted from STARS. See IRM 25.25.13-1, STARS Delete Reasons.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> </ul> <p><b>Exception:</b> Do not classify waste the correspondence if a TC 290 for zero is input to release the refund. (See instructions above.)</p> <ul style="list-style-type: none"> <li>• Ensure all RIVO control bases are closed.</li> </ul>
<p><b>3</b> The taxpayer states they made an error on the return and may have provided the documentation to substantiate the withholding amounts verified in the WOW process</p> <p><b>Note:</b> The response may include a corrected/amended return or a Form 1040X.</p>	<ul style="list-style-type: none"> <li>• Input notes in STARS documenting the information provided.</li> <li>• Update the return in STARS to “AL”.</li> <li>• Adjust the account to the verified withholding information see IRM 21.5.3.4.6.1(1), <i>Disallowance and Partial Disallowance Procedures</i>, on Letter 105C, <i>Claim Disallowed</i> and Letter 106C, <i>Claim Partially Disallowed</i> only.</li> </ul> <p><b>Reminder:</b> Input a TC 170 for zero, when increasing/decreasing federal withholding and no CCC P or existing TC 170</p> <p><b>Note:</b> Input the adjustment as a source document (SD) and attach the correspondence to a screen print of the transmitted CC REQ54 and send to Files per local closed case procedures.</p> <p><b>Note:</b> Use blocking series 05 on partial disallowances.</p> <ul style="list-style-type: none"> <li>• Send a Letter 105C or Letter 106C correctly to the taxpayer. See <i>WOW Letters</i>.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

If	Then
<p><b>4</b>                      The taxpayer responds and has provided more information to verify the withholding, but it is not</p> <p><b>Note:</b> The response may include a corrected/ amended return or a Form 1040X.</p> <p><b>Reminder:</b> If the adjustment will result in an increase in refund, see box 5.</p>	<ul style="list-style-type: none"> <li>• Input notes in STARS documenting the information provided.</li> <li>• Update the return in STARS to "AL".</li> <li>• Adjust the withholding on the account accordingly (includes reversing withholding on statute imminent and statute barred tax periods) based on the verifiable information (per CC IRPTR or contact with the employer) see IRM 21.5.3.4.6.1(1), <i>Disallowance and Partial Disallowance Procedures</i>, on Letter 105C, <i>Claim Disallowed</i> and Letter 106C, <i>Claim Partially Disallowed</i> only.</li> </ul> <p><b>Reminder:</b> Input a TC 170 for zero, when increasing/decreasing federal withholding and no CCC P or existing TC 170</p> <p><b>Note:</b> Input the adjustment as a SD and attach the correspondence to a screen print of the transmitted CC REQ54 and send to Files per local closed case procedures.</p> <p><b>Note:</b> Use blocking series 05 on partial disallowances.</p> <ul style="list-style-type: none"> <li>• Send a Letter 105C or Letter 106C correctly to the taxpayer. See <i>WOW Letters</i>.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

#  
#  
#  
#  
#  
#

If	Then
<p style="text-align: center;"><b>5</b></p> <p>Notice CP 05A <b>AND</b> the changes to the federal withholding would result in a refund equal to or greater than was originally claimed</p>	<ul style="list-style-type: none"> <li>• Input a TC 290 for .00 with source document. <b>Note:</b> If inputting a TC 290 for zero to release the refund, input the adjustment as a source document (SD) and attach the correspondence to a screen print of the transmitted CC REQ54 and send to Files per local closed case procedures.</li> <li>• Update STARS disposition to "DL" to remove the return from STARS. "Refile" the return in STARS. A reason must be entered in the return's STARS Notes when requesting a return be deleted from STARS. See IRM 25.25.13-1, STARS Delete Reasons.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>. <b>Exception:</b> Do not classify waste the correspondence if a TC 290 for zero is input to release the refund. (See instructions above.)</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

If	Then
<p><b>6</b>            The taxpayer responds with a corrected/amended return or Form 1040X and includes amendments to anything other than withholding on the original posted return.  <b>Note:</b> Do not send an unverifiable amended return or Form 1040X to SP or ICT. Treat as an unverified response.</p>	<ul style="list-style-type: none"> <li>• Input notes in STARS documenting the information provided.</li> <li>• Update the return in STARS to “CAT 5 CL”.</li> <li>• If there is no identity theft marker (TC 971 AC 501 or TC 971 AC 506) for any tax period on CC ENMOD, route the amended return or Form 1040X and envelope to the Submission Processing (SP) Batching Function per Exhibit 3.10.72-11, <i>Submission Processing Center Contacts (Batching Function)</i>. Edit the RIVO stamp or “RIVO REV” in the upper left margin of the return prior to sending to SP.</li> <li>• If there is an identity theft marker (TC 971 AC 501 or TC 971 AC 506) for any tax period, fax the amended return or Form 1040X and envelope to the Image Control Team (ICT) using the Exhibit 25.25.2-2 , 1040-X Referral Return Form and include the verified income/withholding information on the routing form. Edit the RIVO stamp or “RIVO REV” and “IDT” in the upper left margin of the return prior to sending to ICT.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the Notice CP 05A as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>
<p><b>7</b>            The taxpayer states they made an error on the return (other than the CP05A proposal) and has provided the correct information and it is verifiable, but there is no corrected/amended return or a Form 1040X, <i>Amended U.S. Individual Income Tax Return</i>.</p>	<ul style="list-style-type: none"> <li>• Input notes in STARS documenting the information received.</li> <li>• Send an 89C letter to the taxpayer requesting a Form 1040X.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the notice or letter as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

25.25.11.4  
 (11-21-2022)  
**Letter 105C/106C Responses**

- (1) The taxpayer may be responding to the Letter 105C, *Claim Disallowed*, or Letter 106C, *Claim Partially Disallowed*, with new or more information or may be responding for the first time (the taxpayer may not have received the Notice CP 05A) to the account changes based on the Withholding Only Work (WOW) procedures. The response is to be treated as a new case using the guidelines in this IRM.

- (2) For certain Exam-surveyed cases with inflated federal withholding and refundable credits, RIVO issued 105C/106C letters, disallowing **withholding only**. These cases can be identified with the following IDRS control C#,RIVOTOWORK,C,QRPA 1485000000,\* . No referrals or other employee contact should be issued on these cases.
- (3) Follow the chart below for resolving Letter 105C/106C replies:

If	Then
<p>The taxpayer responds to the Letter 105C or Letter 106C.</p> <p><b>Note:</b> Follow the instructions in this section if the taxpayer responds to the Notice CP 05A, but the account has already been reversed in the WOW process.</p> <p><b>Caution:</b> Letter 105C/106C replies received as part of the Exam-surveyed inventory as stated above; only work the federal withholding issue. Do not adjust income or refundable credits, if present.</p>	<ul style="list-style-type: none"> <li>• Follow IRM 21.5.3.4.6.2, <i>Appeals and Responses to Letter 105C and 106C</i>.</li> <li>• Input notes in STARS documenting the information received.</li> <li>• If the original return verifies, update the return disposition to DL to have it removed from STARS. A reason must be entered in the return’s STARS Notes when requesting a return be deleted from STARS. See IRM 25.25.13-1 , STARS Delete Reasons.</li> </ul> <p><b>Exception:</b> If the Exam-surveyed inventory has a disposition of WL in STARS, <b>do not</b> update to DL.</p> <ul style="list-style-type: none"> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

IF	THEN
<p>The taxpayer responds with a corrected/amended return or Form 1040X and include amendments to anything other than withholding on the original posted return:</p> <p><b>Note:</b> Do not send an unverifiable amended return or Form 1040X to SP or ICT. Treat as an unverified response.</p>	<ul style="list-style-type: none"> <li>• Input notes in STARS documenting the information provided.</li> <li>• Update the return in STARS to “CAT 5 CL”.</li> <li>• If there is no identity theft marker (TC 971 AC 501 or TC 971 AC 506) for any tax period on CC ENMOD, route the amended return or Form 1040X and envelope to the Submission Processing (SP) Batching Function per Exhibit 3.10.72-11, <i>Submission Processing Center Contacts (Batching Function)</i>. Edit the RIVO stamp or “RIVO REV” in the upper left margin of the return prior to sending to SP.</li> <li>• If there is an identity theft marker (TC 971 AC 501 or TC 971 AC 506) for any tax period, fax the amended return or Form 1040X and envelope to the Image Control Team (ICT) using the Exhibit 25.25.2-2, <i>RICS IVO AR Adjustment Request Form</i> and include the verified income/withholding information on the routing form. Edit the RIVO stamp or “RIVO REV” and “IDT” in the upper left margin of the return prior to sending to ICT.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Destroy the Notice CP 05A as classified waste, see IRM 21.5.1.4.10, <i>Classified Waste</i>.</li> <li>• Ensure all RIVO control bases are closed.</li> </ul>

Respond is received and it is determined that the adjustment was incorrectly calculated in the WOW program	The account must be corrected based on the original adjustment made on the account.
--	---

25.25.11.5  
(11-21-2022)  
**Statute Imminent /  
Statute Expired**

- (1) There may be instances when the taxpayer’s return data has been removed from the tax account and needs to be reinstated, however the assessment statute is imminent or barred.
- (2) The Assessment Statute Expiration Date (ASED) is generally three years after the due date of the return or three years after the date the original return was actually filed, whichever is later. See IRM 25.6.1.6.5, *Chart of Expedited Statute Processing*, for more information.
- (3) Follow the instructions in the chart below to resolve the account:

<b>If</b>	<b>Then</b>
<b>1</b> The statute is imminent (the ASED will expire within 90 days of today’s date)	All assessments within 90 days of the expiration date must be routed to the Statute Function on a Form 2859, <i>Request for Quick or Prompt Assessment</i> , see IRM 25.23.2.5, <i>Statute Protection</i> , for more guidance.

If	Then
<p><b>2</b>                      The statute is expired</p>	<ul style="list-style-type: none"> <li>• Send Letter 105C/106C with the correct paragraphs. See <i>WOW Letters</i>, for paragraphs.</li> <li>• Input a TC 807 for the dollar amount of the withholding to be removed.  <b>Note:</b> DO NOT Adjust tax.</li> <li>• For a partial disallowance use blocking series 00 or 18 to associate the 106C letter. Ensure to use HC 4, if any of the refund is to be moved to excess collections. If money is to be moved to excess collections, monitor the module for the posting to excess and then release the remainder of the refund.</li> <li>• Input a second adjustment on the full disallowance, with a Transaction Code (TC) 290/.00 with Blocking Series (BS) 98/99, Source Code (SC) "0", HC "4", for the disallowance letter.</li> <li>• Close all RIVO control bases.</li> <li>• Update WOW database as required.</li> <li>• If still open in STARS, close disposition "AL".</li> </ul>

25.25.11.6  
 (09-21-2023)  
**Rejects**

(1) Returns that cannot be worked via the WOW Tool must be resolved following the chart below:

**Note:** Research account for -O freeze. If the -O freeze is present on the account, do not send disallowance letter during the disaster relief period and do not disallow or default accounts during the disaster relief period, unless agreed to by the taxpayer. Continue to monitor the account, until the -O freeze drops off the account and then continue with disallowance process. See IRM 21.5.6.4.30, -O Freeze, for more information. Refer to *IRS Disaster Assistance program*, for more information on disaster locations.

- (2) Accounts unable to be worked by the Withholding Only Work (WOW) tool will have one of the following reject codes associated with the case and must be in STARS disposition as “MA” Manual Disallowance Adj Necessary Man WOW ref.

IF	THEN
<p><b>1</b> The account has an open control to another function or has been resolved</p>	<ul style="list-style-type: none"> <li>• Update STARS return notes correctly.</li> <li>• Update STARS to “CL.”</li> <li>• Close all RIVO control bases.</li> </ul>
<p><b>2</b> The withholding information can be verified per Command Code (CC) IRPTR data or information in Contact Employer (CE), see IRM 25.25.3 , <i>Revenue Protection Verification Procedures for Individual Master File Returns</i></p>	<ul style="list-style-type: none"> <li>• Update STARS Return notes correctly.</li> <li>• <b>Note:</b> update the disposition to “DL” to have the return deleted from STARS. A reason must be entered in the return’s STARS Notes when requesting a return be deleted from STARS. See IRM 25.25.13-1, STARS Delete Reasons.</li> <li>• Release the refund per IRM 25.25.2.4, <i>Stopping the Refund</i>.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Close all RIVO control bases.</li> </ul>

IF	THEN
<p><b>3</b>                      The withholding information cannot be verified per CC IRPTR data or CE, see IRM 25.25.3, Revenue Protection Verification Procedures for Individual Master File Returns</p>	<ul style="list-style-type: none"> <li>• Input notes in STARS documenting the information provided.</li> <li>• Update the return in STARS to "AL."</li> <li>• Adjust withholding on the account accordingly (includes statute imminent and statute barred tax periods) based on the verifiable information (per CC IRPTR, CE or contact with the employer) see IRM 21.5.3.4.6.1(1), <i>Disallowance and Partial Disallowance Procedures</i> on Letter 105C, <i>Claim Disallowed</i> and Letter 106C, <i>Claim Partially Disallowed</i> only.</li> </ul> <p><b>Note:</b> Do not reverse any offsets.</p> <ul style="list-style-type: none"> <li>• Send a Letter 105C or Letter 106C correctly to the taxpayer. See <i>WOW Letters</i>.</li> <li>• Input/Update AMS notes per IRM 21.2.2.4.5, <i>Account Management Services (AMS)</i>.</li> <li>• Close all RIVO control bases.</li> </ul>
<p><b>4</b>                      The account information indicates the taxpayer is claiming identity theft, such as notes in Accounts Management Services (AMS).</p>	<ul style="list-style-type: none"> <li>• Disposition the return in STARS per Exhibit 25.25.5-1, <i>Triage Procedures</i>.</li> <li>• Take no action on IDRS.</li> <li>• Close all RIVO control bases.</li> </ul>

**This Page Intentionally Left Blank**

**Exhibit 25.25.11-1 (05-04-2022)**  
**Withholding Only Work (WOW) Reject Codes**

The tool will reject the following freeze and error codes:

IDRS RESEARCH	REJECTION CRITERIA
Command Code (CC) TXMODA	<ul style="list-style-type: none"> <li>Any of the following freezes are present: -A, A-, -B, B-, -D, D-, -E, E-, -F, F-, -G, -J, J-, -K, -L, L-, -N, N-, -O, O-, R-, -T, T-, -U, U-, -V, V-, -W, W-, -X, X-, -Y, Y-, -Z, Z-</li> </ul>

Code	Rejection Definition
0001	Command Code (CC) TXMODA Failed
0002	SEQ # greater than 999
0010	Module Balance Not Credit
0012	Error Reading Adjusted Gross Income (AGI) and Taxable Income (TXI)
0013	Error Reading Number of Exemptions
0014	Transaction Code (TC) 150 Not Posted
0015	Error Reading Withholding (WH)
0016	TC 29X/30X other than Zero
0018	Pending TC 29X/30X
0019	Could not place Open Control in <b>B</b> Status
0020	CC REQ54 Failed
0021	Error Inputting Item Reference Number (IRN) to ADJ54
0022	Error Transmitting CC ADJ54
0023	CC TXMODA Failed after CC ADJ54
0025	CC IMFOLR Failed
0030	CC TXMODA Failed for CC TERUP
0031	No Adjustment Pending (AP) found on CC TXMODA for CC TERUP
0032	CC TERUP Failed
0040	CC LETER Failed
0041	Error Transmitting CC LPAGE
0050	Wage Mismatch
0051	WH Mismatch

**Exhibit 25.25.11-1 (Cont. 1) (05-04-2022)**  
**Withholding Only Work (WOW) Reject Codes**

0062	Unknown Filing Status
0070	CC REQ77 did not change to CC FRM77
0071	Error Populating CC FRM77 Screen
0072	CC FRM77 Transmit Failed
0118	Unreversed TC 971 AC 140 on Module
0119	"Any open control with a Category Code other than "AM01" through "AM09"
0130	Tax Year older than 2009
0131	Credits of \$500 or more
0132	Credits less than \$500