

IRM PROCEDURAL UPDATE

DATE: 06/14/2024

NUMBER: ts-21-0624-0767

SUBJECT: -E, E- Procedural Updates; Other Freeze Code Updates

AFFECTED IRM(s)/SUBSECTION(s): 21.5.6

CHANGE(s):

IRM 21.5.6.4.2(1) Added that the -A will hold refunds. Changes make for clarity.

(1) The -A freeze is set when a duplicate return (Transaction Code (TC) 976), subsequent return (TC 977), a TC 971 with Action Code (AC) 010 or AC 012-015 (amended return), or a TC 971 AC 016 (international return) posts to an account. A TRNS36, Individual Master File (IMF) Duplicate Filing Notice, or TRNS193, Business Master File (BMF) Duplicate Filing Condition (created by a frozen account), is generated and forwarded to the campus AM paper function. The -A freeze holds refunds until it is released.

Exception: TC 971 with AC 010 or AC 012-016 does not generate a TRNS36. TC 971 AC 010 only generates a TRNS 193 in certain situations. Refer to IRM 21.6.7.4.4, Duplicate or Amended Returns - TRNS36, and IRM 21.7.9.4, Duplicate Filing Conditions Procedures, for more information.

IRM 21.5.6.4.2(4) Removed link to Where's My Amended Return? page. Changes made because timeframes are have changed.

(4) Take the following action during a telephone inquiry or field office inquiry:

ROW NUMBER	IF	AND	THEN
1	Normal processing time of up to 16 weeks has not elapsed	TC 976/977 has posted to the module but an adjustment has not been made	Advise taxpayer to allow up to 16 weeks for normal processing. For IMF, provide the taxpayer with information about our automated amended return application: Where's My Amended Return? (WMAR), on irs.gov. For more information on WMAR refer to IRM 21.4.1.4 (8), Refund Inquiry Response Procedures.

2	<p>Normal processing time of up to 16 weeks has elapsed,</p> <p>OR</p> <p>the taxpayer furnishes more information</p>	<p>TC 976/977 has posted to the module, adjustment has not been made, and there is an open control to an employee</p>	<p>Open control is for a Correspondence Imaging Inventory (CII) case:</p> <p>AM Employees:</p> <ul style="list-style-type: none"> • Add the information to the CII case as a Case Note (CN). • Advise taxpayer to allow 30 days for a response. <p>NON-AM Employees: Follow procedure below to prepare a referral.</p> <p>Open control is not for a Correspondence Imaging Inventory (CII) case:</p> <ul style="list-style-type: none"> • Prepare Form 4442/e-4442, Inquiry Referral. Select "IRM" referral type and category "Open Control". Print and fax IRM directed referrals to any area that does not have Account Management Services (AMS) access. • Advise taxpayer to allow 30 days for a response. <p>CII Case Suspended to CAT-A:</p> <ul style="list-style-type: none"> • Apologize for the delay and advise the taxpayer to allow an additional 30 days.
3	<p>Normal processing time of up to 16 weeks has elapsed</p>	<p>TC 976/977 has posted to the module, adjustment has not been made, and the open control is to a clerical function or a team number</p>	<p>DO NOT initiate contact with a clerical team.</p> <p>AM Employees:</p> <ul style="list-style-type: none"> • Put the control in "B" status if you have sufficient information to work the case during the phone call and close the CII case if

		<p>Note: Generic employee numbers for Submission Processing (SP) can be found within IRM 3.11.6.3, Controlling CII Cases on the Integrated Data Retrieval System (IDRS), and IRM 3.11.6.9.3, MEFP and MEFS Accounts Management Rejected Queue. Generic employee numbers for Accounts Management (AM) CII cases can be found within IRM 21.5.1.5.1, CII General Guidelines.</p>	<p>appropriate. Update the CII category code if appropriate. See IRM 21.5.1.5.2, Cases Currently Assigned in CII.</p> <p>Note: CAT-A criteria must be considered before adjusting an account. Refer to Exhibit 21.5.3-2, Examination Criteria (CAT-A) - General.</p> <p>Exception: If the taxpayer is calling regarding a carryback claim, refer to IRM 21.5.9.3.2, Status of a Carryback Application/Claim. If the taxpayer is calling regarding an Injured Spouse claim, refer to IRM 21.4.6.5.2, Injured Spouse Inquiries.</p> <ul style="list-style-type: none"> • If you do not have sufficient information to work the case, ask the taxpayer if they can fax the information needed to adjust the account while you are on the call. Have the taxpayer fax it directly to you. Follow procedures above to work and close the case if appropriate. <p>Note: When available, the Enterprise Electronic Fax, (EEFax) must be used in lieu of manual faxing.</p> <p>NON-AM employees, or if unable to have the taxpayer fax in the information due to a training issue (e.g., call sites), or taxpayer is unable to fax while you are on the call: Apologize for the delay in processing the information and advise the taxpayer to allow an additional 30 days.</p>
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4	Normal processing time of up to 16 weeks has elapsed	TC 976/977 has posted to the module, adjustment has not been made, and there is no open IDRS control	<p>1. If there is no Form 1040-X scanned into CII or on MeF, ask the taxpayer to refile the amended return.</p> <p>Exception: Due to recent site closures, DO NOT advise the taxpayer to refile. Apologize for the delay and advise the taxpayer that the IRS is still working to resolve delays caused by previous closures.</p> <p>2. If the Form 1040-X is scanned into CII or on MeF, or another condition caused the -A Freeze, prepare Form 4442/e-4442 selecting "IRM" referral type and category "-A Freeze" Route to the Campus AM paper function within your directorate, except Puerto Rico who will send the Form 4442 to the Brookhaven Campus paper function until further notice. Advise taxpayer to allow 30 days for a response to the referral.</p> <p>Reminder: Route Form 4442/e-4442 prepared as a response to a closed carryback case to the service center that last worked the case. Review CII and IDRS to determine the proper routing.</p> <p>3. If module shows a TC 971 with AC 012, 013, 015 or 016, do as follows:</p> <ul style="list-style-type: none"> ○ Select "IRM" referral type, category "Other write-in". ○ Input "Unresolved amendment in Collection, Exam,
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			<p>Automated Underreporter (AUR), International (as applicable), please work".</p> <ul style="list-style-type: none"> ○ Follow established procedures to route the referral to: AC 012 - Collections, AC 013 - Exam, AC 015 - AUR, AC 016 - International. ○ Advise taxpayer to allow 30 days for a response.
5	Normal processing time of up to 16 weeks has elapsed plus 30 more days	TC 976/977 has posted to the account and an adjustment has not been made	<p>Refer to the procedures in IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines, IRM 13.1.7.3, TAS Case Criteria, and IRM 13.1.7.4, Exceptions to Taxpayer Advocate Service Criteria, before referring to TAS.</p> <p>Note: If TAS criteria is not met, apologize to the taxpayer for the delay and advise them to allow another 30 days. Do not prepare another referral or leave another CII case note.</p>
6	Research and probing establish that the return is a true duplicate	Research shows an open control to an employee	<p>Any adjustment or freeze release action must be coordinated if there is an open control on the account. For open or multiple controls refer to IRM 21.5.2.3, Adjustment Guidelines – Research, for more information.</p> <p>If the employee with the open control agrees, either:</p> <ul style="list-style-type: none"> • Close the control or put in "B" Status (as directed by the employee). • Release the freeze by inputting a TC 290 for .00 using Command Code (CC) REQ54, if appropriate.

7	Research and probing establish that the return is a true duplicate	Research shows no open control or a team control	Take action as indicated in box 4 (no open control) or box 3 (open control to a clerical team) directly above.
8	History item "REPRXA150" is present OR the TC 976 generated as a result of a TC 971 AC 141 (Automated Substitute for Return (SFR))		Release -A freeze by inputting a TC 290 for 00 using CC REQ54. Refer to IRM 21.6.7.4.4.1, TRNS36 - Control, for more information.

IRM 21.5.6.4.9.1(4) Updated table with additional scenarios. Changes made due to procedural updates.

(4) The taxpayer's identity **must** be authenticated before any action can be taken on the MFT 30 account. Take the following actions if a Form 1040 series return or Form 1040-X is received:

Exception:

ROW NUMBER	IF	AND	THEN
1	AMS notes indicate TP has already authenticated	No actions were taken to post the tax return, and there is an unresolved UP 126 RC 0. Note: If the only issue present is an unreversed TPP marker, do not refer to RIVO.	1. Refer a Form 4442/e-4442, Inquiry Referral, to TPP using Category "RIVO TPP", to complete the necessary actions on the account. 2. Suspend your case for 60 days.
2	CC ENMOD shows TC 971 AC 506 MISC>WI AM OTHER or WI PRP OTHER1. Note: If the taxpayer claimed ID theft through online ID Verify, there no AMS	MFT 32 is present and the DLN of the 971 AC 111 does not contain 88888.	Process the Form 1040/1040-X as original.

	notes will indicate they verified.		
3	AMS notes indicate the taxpayer was authenticated and did not claim ID theft	MFT 32 is present and the DLN of the TC 971 AC 111 does contain 88888, or TRDBV shows return voided/deleted.	<p>Research to determine whether the TC 976 DLN on MFT 32 matches the DLN of the TC 971 AC 124 MISC field on MFT 30.</p> <p>Match Column A of the amended return with the CC TRDBV return information.</p> <p>If the return information matches, and it is for the current year or immediate prior year and it is before cycle 47 of the current processing year:</p> <ul style="list-style-type: none"> • If trained on TPP, reverse MFT 32 following procedures in IRM 25.25.6.7.1, Taxpayer Protection Program (TPP) Assistors, Taxpayer Assistance Center (TAC) Assistors, and Identity Theft Victims Assistance (IDTVA) Assistors MFT 32 Reversal Criteria & Procedures. • If not trained in TPP, send a Form 4442/e4442, Inquiry Referral, to RIVO. Use the referral category "RIVO - TPP". Include an explanation in the remarks about the authentication of the taxpayer, and specify the DLN of the taxpayer's return to be sent for processing. <p>If the return information</p>

			<p>matches, and it is for the current year or immediate prior year tax return, and it is on or after cycle 47 of the current processing year, or for any other prior year tax return, process the Form 1040/1040-X as original.</p> <p>If return information does not match, and you cannot make a determination, reissue TPP letter following guidance in paragraph 4a and 4b below.</p>
4	More than 60 days since referral	TPP issue not resolved (e.g., UP 126 RC 0 remains unresolved)	Elevate the case to your P&A staff for coordination with RIVO.
5	The CII case includes a response to one of the above authentication request letters as outlined in IRM 25.25.6.2.2.1, Documentation Received	N/A	Route the case to the Return Integrity Verification Operations (RIVO) at STOP 6579 AUSC.

- a. Prepare Letter 288C, Interim Reply; Adjustment Request Considered, using an "*" to replace the taxpayer's TIN.
Use the following information in the open paragraph:

"We are unable to process your request because you did not respond to the authentication letter we previously sent. Once verified, your original return will be processed, and we can process your request."

Note: Send the Letter 288C to the address on the information provided by the taxpayer.

- b. Re-issue the proper authentication letter to the taxpayer based on the TPP letter marker. If a TPP letter marker is not present, re-issue Letter 4883C. Letter 6330C and Letter 6331C cannot be reissued; issue Letter 4883C in place of Letter 6330C, and issue Letter 5071C in place of Letter 6331C.

Note: Send the TPP letter to the address on the information provided by the taxpayer. If no address, use the address on CC ENMOD.

Caution: The TPP letter may be reissued once to the name and address on the return in question. Do not reissue the TPP letter a second time. Look for a letter history or history item on CC ENMOD XXXXC Sent, or a CC TXMOD marker TC 971 AC 123 MISC XXXXC Sent. If it has been issued twice on the same tax period, and if the taxpayer's authentication has still not been verified, issue a Letter 6167C, Identity Authentication Incomplete, and use paragraph "C," with a return address code of "TP." Also issue the Letter 288C, per (a) above.

- Letter 4883C, refer to Exhibit 25.25.6-2, Manually Issuing the Letter 4883C/SP, Potential Identity Theft during Original Processing.
- Letter 5071C, refer to Exhibit 25.25.6-5, Manually Issuing the Letter 5071C/SP, Potential Identity Theft during Original Processing with Online Option.
- Letter 5447C, refer to Exhibit 25.25.6-3, Manually Issuing the Letter 5447C/SP, Potential Identity Theft during Original Processing, Foreign Address.
- Letter 5747C, refer to Exhibit 25.25.6-4, Manually Issuing the Letter 5747C/SP, Potential Identity Theft during Original Processing - TAC AUTH ONLY.

IRM 21.5.6.4.10(3) Updated explanation of the TC 810 RC 4. Changes made for clarity.

(3) Resolve a -E freeze in one of the following ways:

Note: TC 424 or TC 420 identifies Exam involvement, while TC 971 Action Code (AC) 128 identifies RICS AQC involvement.

IF	THEN
Master File account has a TC 810	<ol style="list-style-type: none"> 1. You cannot resolve it. 2. Research IDRS to determine the reason for the TC 810 on the account. <ul style="list-style-type: none"> ○ TC 810-1 indicates pre-filing notification. Refer IRM 21.5.10.4.1.2, Compliance Refund Hold Projects ○ TC 810-2 indicates an Abusive Tax Shelter Detection (ATSDDT) freeze. Refer to IRM 21.5.10.4.1.2, Compliance Refund Hold Projects ○ TC 810-3 indicates the following: <ol style="list-style-type: none"> a. Earned Income Tax Credit (EITC) freeze containing TC 424 b. EITC and Additional Child Tax Credit (ACTC) freeze containing TC 424 c. Premium Tax Credit (PTC) containing TC 424 or TC 971 AC 128 and a TC 570 with blocking series 88885 or 88888

- d. EITC plus PTC, and/or ACTC containing TC 424 or TC 971 AC 128 and a TC 570 with blocking series 88881
- e. EITC plus PTC containing TC 424 or TC 971 AC 128 and a TC 570 with blocking series 88884
- f. EITC plus PTC and/or ACTC containing TC 424 or TC 971 AC 128 and a TC 570 with blocking series 88884
- g. American Opportunity Tax Credit containing TC 424
- h. Form 1040-NR with a refund supported by a Form 1042-S (CRN 330) systemically freezes that portion of the refund for up to 154 days. Refer to IRM 21.8.1.12.14.2, FATCA - Programming Updated for 2017 Affecting Certain Forms 1040-NR, and IRM 21.8.1.12.14.4, 1042-S Credit Frozen-Not Reversed (Letter 5887C), for more information

Refer to IRM 21.5.10.4.1.2, Compliance Refund Hold Projects, for more information on a phone call received or correspondence received.

Exception: Refer to table (4) below for the resolution of Form 1040-X received on accounts with RIVO PTC issues.

- o TC 810-4 is a preventative freeze in RIVO to screen for potential frivolous return criteria. RIVO is currently identifying suspicious credit refund claims using IRS processing systems, including identity theft screening filters.

Once a return is deemed frivolous, the taxpayer will be issued a Letter 3176C, Frivolous Returns Response. If the taxpayer has received the letter, encourage the taxpayer to respond to the Letter 3176C and file a corrected return within the 30-day timeframe provided.

If the Letter 3176C has **not** been issued, advise the taxpayer their return is being reviewed. A letter may be sent to request additional documents to support the claim. Encourage the taxpayer to review their return, and if a correction is needed, file an amended return. Advise the taxpayer to allow 180 days from the date of the call for a letter to be issued.

Note: Advise the taxpayer they can search on IRS.gov under Tax Fraud for more information about potential

	<p>social media schemes and tax scams.</p> <p>If the 180 days have been allowed and the Letter 3176C has not been issued, or if the Letter 3176C was issued but not received within the 180 days, prepare a Form 4442/e-4442 to RIVO using category "RIVO-Frivolous Filer Program (FRP)". Advise the taxpayer to allow 90 days for a response.</p>
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IRM 21.5.6.4.10(4) Added cautions to ensure adjustments and controls are exact. Updated table to address additional scenarios. Changes made due to scope of cases being addressed.

(4) Use the instructions below when processing amended returns on -E freeze cases:

Caution: When referring cases to the FRP team, the account adjustment must be input accurately, or the case will be rejected to the originator to be corrected. The case control will contain “REJECTED” in the activity field.

Caution: When referring cases to the FRP team, the control base must be opened using the **exact criteria** due to systemic automation. If not exact, the case will be rejected back to the originator. The case control will contain “REJECTED” in the activity field.

Note: Do not refer cases to RIVO when there is an open Exam identified by an unreversed TC 424 or TC 420. See IRM 21.5.3-1, Claim Processing with Exam Involvement.

ROW NUMBER	IF	AND	THEN
1	The taxpayer has provided a Form 1040-X with changes to the original return and the Form 1095-A, Health Insurance Marketplace Statement, or Form 8962, Premium Tax Credit (PTC), is attached	The account has an unresolved -E Freeze and a TC 971 AC 128 with a MISC field of AQCPTC191 or AQCPTC195	1. Process the Form 1040-X using the procedures found in IRM 21.6.3.4.2.12.6, Premium Tax Credit Amended Returns. If full adjustment, don't suppress the adjustment notice. If

			<p>partial adjustment, suppress the adjustment notice and send a letter to the taxpayer explaining the partial adjustment. Close the CII case.</p> <p>Note: If ACA Verification Service (AVS) identifies a discrepancy above tolerance, input the adjustment but do not address PTC.</p> <p>2. Open a control base to RIVO IDRS 1487866666, if completing a full adjustment, use the CII case number in the activity field, TPRQ as the category, and control status "A". If completing a partial adjustment (PTC not adjusted) open a</p>
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			<p>control base to 1484244444.</p> <p>Note: If no adjustment is needed and the freeze needs to be released, control the case under 1487866666.</p>
2	The taxpayer has provided a Form 1040-X with changes to the original return and no Form 1095-A, or Form 8962 is attached	The account has an unresolved -E Freeze and a TC 971 AC 128 with a MISC field of "AQCPTC191" or "AQCPTC195"	<ol style="list-style-type: none"> 1. Process the Form 1040-X using normal procedures. If full adjustment, do not suppress the adjustment notice. If partial adjustment suppress the adjustment notice. 2. Close the CII case. 3. Open a control base to RIVO IDRS 1487866666, if completing a full adjustment, use the CII case number in the activity field, TPRQ as the category, and control status "A". If completing a partial adjustment

			(PTC not adjusted), open a control base to 1484244444.
3	<p>The taxpayer files a Form 1040-X or True-DUPF, either adding, reducing or changing a questionable credit (e.g., Form 7202, Credit for Sick Leave and Family Leave for Certain Self-Employed Individuals, Form 1040 (Schedule H), Household Employment Taxes, Form 4136, Credit for Federal Tax Paid on Fuels, Form 8863, Education Credits, etc.)</p> <p>Note: The Form 1040-X may or may not have other changes on the return.</p>	The account has an unresolved TC 810 RC 4 AND Letter 3176C has been issued (CC TXMOD has a case control Activity Code "7202/L3176" or "7202/FTC")	<ol style="list-style-type: none"> 1. Do NOT take any action to release the -E Freeze. 2. Close the CII case. 3. Open a new monitor (M) control on CC TXMOD. Use Activity Code "SMSRESP" and Category Code "FRP3". 4. Assign the control to 1486507202.
4	The taxpayer files a Form 1040-X, to remove a questionable credit (listed above).	The account has an unresolved TC 810 RC 4 AND Letter 3176C has not been issued (CC TXMOD does not have a case control Activity Code "7202/L3176" or "7202/FTC")	<ol style="list-style-type: none"> 1. Process the Form 1040-X using normal procedures. 2. Close the CII case. 3. Open a new monitor (M) control on TXMOD. Use

			<p>Activity Code "REQ_FRZR LS," and Category Code "FRP2."</p> <p>4. Assign control to IDRS number 1486907202</p>
5	<p>The taxpayer files a Form 1040-X, to remove a questionable credit (listed above), the credit was not allowed on the TC 150 (e.g. there is a related math error code) AND there are other changes to the amended return.</p>	<p>The account has an unresolved TC 810 RC 4 AND Letter 3176C has not been issued (CC TXMOD does not have a case control Activity Code "7202/L3176" or "7202/FTC")</p>	<p>1. Process the Form 1040-X using normal procedures.</p> <p>2. Close the CII case.</p> <p>3. Open a new monitor(M) control on TXMOD; Activity Code "REQ_FRZR LS," Category Code "FRP2."</p> <p>4. Assign control to IDRS number 1486907202.</p>
6	<p>The taxpayer files a Form 1040-X, to remove a questionable credit (listed above), the credit was not allowed on the TC 150 AND there are NO other changes on the amended return.</p>	<p>The account has an unresolved TC 810 RC 4 AND no letter 3176C (CC TXMOD does not have a case control Activity Code "7202/L3176" or "7202/FTC")</p>	<p>1. Input a TC 290 for .00 to release the -A freeze.</p> <p>2. Send the taxpayer a Letter advising we received their Form 1040-X and have forwarded the return to the examination department to release their refund.</p>

			<ol style="list-style-type: none"> 3. Close the CII case. 4. Open a new monitor(M) control on TXMOD. Use Activity Code "REQ_FRZR LS," and Category Code "FRP2." 5. Assign control to IDRS number 1486907202.
7	The taxpayer files a Form 1040-X to decrease a questionable credit (listed above), but does not remove the credit AND there are NO other changes on the amended return.	The account has and unresolved TC 810 RC 4 AND Letter 3176C has not been issued (CC TXMOD does not have a case control Activity Code "7202/L3176" or "7202/FTC")	<ol style="list-style-type: none"> 1. Process the Form 1040-X using normal procedures. 2. Close the CII case. 3. Open a new monitor (M) control on CC TXMOD. Use Activity Code "REF_SMSR TN" and Category Code "FRP2". 4. Assign control to IDRS number 1486907202.
8	The taxpayer files a Form 1040-X to decrease a questionable credit (listed above) but does not remove the credit, AND there are other changes to the amended return	The account has an unresolved TC 810 RC 4 AND Letter 3176C has not been issued (CC TXMOD does not have a case control Activity Code "7202/L3176" or "7202/FTC")	<ol style="list-style-type: none"> 1. Process the Form 1040-X using normal procedures. 2. Close the CII case. 3. Open a new monitor (M) control on CC TXMOD. Use Activity Code "REF_SMSR

			<p>TN" and Category Code "FRP2".</p> <ol style="list-style-type: none"> 4. Assign control to IDRS number 1486907202.
9	The taxpayer files a Form 1040-X to increase a questionable credit (listed above)	The account has an unresolved TC 810 RC 4 AND Letter 3176C has not been issued (CC TXMOD does not have a case control Activity Code "7202/L3176" or "7202/FTC")	<ol style="list-style-type: none"> 1. Do not process the Form 1040-X. 2. Close the CII case. 3. Open a new monitor (M) control on CC TXMOD. Use Activity Code "REF_SMSR TN" and Category Code "FRP2". 4. Assign control to IDRS number 1486907202.
10	The taxpayer files a Form 1040-X, to remove the IRC 1341 (Claim of Right) from Schedule 3, line 13d	The account has an unresolved TC 810 RC 3 or 4 and TC 971 AC 123 MISC>IRC 1341 DISALLOW.	<ol style="list-style-type: none"> 1. Process the Form 1040-X using normal procedures. 2. Close the CII case. 3. Open a new monitor(M) control on TXMOD; Activity Code "REQ_FRZR LS." Category Code "FRP2." 4. Assign control to IDRS number 1486901341.
11	The taxpayer files	The account has an unresolved TC	<ol style="list-style-type: none"> 1. Process

	a Form 1040-X, to remove the IRC 1341(Claim of Right) from Schedule 3, line 13d, the credit was not allowed with the TC 150 AND there are other changes to the amended return.	810 RC 3 or 4 and TC 971 AC 123 MISC>IRC 1341 DISALLOW.	<p>the Form 1040-X using normal procedures.</p> <ol style="list-style-type: none"> 2. Close the CII case. 3. Open a new monitor(M) control on TXMOD; Activity Code "REQ_FRZR LS," Category Code "FRP2." 4. Assign control to IDRS number 1486901341.
12	The taxpayer files a Form 1040-X, to remove the IRC 1341(Claim of Right) from Schedule 3, line 13d, the credit was not allowed with the TC 150 AND there are NO other changes to the amended return.	The account has an unresolved TC 810 RC 3 or 4 and TC 971 AC 123 MISC>IRC 1341 DISALLOW.	<ol style="list-style-type: none"> 1. Input a TC 290 for .00 to release the -A freeze. 2. Send the taxpayer a letter advising we received their Form 1040-X and have forwarded the return to the examination department to release their refund. 3. Close the CII case. 4. Open a new monitor(M) control on TXMOD; Activity Code "REQ_FRZR LS," Category Code "FRP2." 5. Assign control to

			IDRS number 1486901341.
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IRM 21.5.6.4.19(3) Removed procedures for questionable responses.

(3) Release the J- freeze by using one of these methods:

ROW NUMBER	IF	AND	THEN
1	Taxpayer verifies payment(s)	Furnishes reason for not claiming the credit	Input Transaction Code (TC) 290 for .00 with priority code (PC) 8 to refund the overpayment.
2	Credits belong on spouse's or ex-spouse's account	Taxpayer can provide information for normal disclosure and credit transfer	<ol style="list-style-type: none"> 1. Transfer payments to correct account. 2. Refer to IRM 21.5.8, Credit Transfers.
3	Taxpayer states payments are not theirs	After research, you can determine where credits belong	<ol style="list-style-type: none"> 1. Transfer payments to correct account. 2. Refer to IRM 21.5.8, Credit Transfers.
4	Taxpayer states payments are not theirs or taxpayer cannot verify the payments	After research, you cannot determine where credits belong	<ol style="list-style-type: none"> 1. Transfer excess credits to Excess Collections File (XSF) <i>if more than one year old</i> using Form 8758, Excess Collection File Addition. Refer to IRM 3.17.220.2.2.1, Preparation of Form 8758, for more information. If less than one year old, move to Unidentified Remittance File (URF) using Form 2424, Account Adjustment Voucher. Refer to Exhibit 3.11.10-19, Form 2424, Account Adjustment Voucher, for more information. 2. Forward to the correct campus Accounting function. <p>Reminder: If moving the credit to XSF or URF, input TC 971 AC 296 on the</p>

			module payment/credit posted to. This indicates all research of the primary and related Taxpayer Identification Numbers (TIN) was completed prior to the transfer to XSF or URF.
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IRM 21.5.6.4.31.1(1) Adding altered check procedures. Changes made due to new indicators.

(1) To resolve P- freeze accounts with no RIVO involvement while staffing Accounts Management phones, see chart below:

Note: Refund inquiry units work the Form 3913, Acknowledgement of Returned Refund Check, responses on paper from the taxpayer. Refer to IRM 21.4.3.5, Acknowledgment of Returned Check, for more information.

ROW NUMBER	IF	AND	THEN	ADVISE THE TAXPAYER
1	A refund is returned	Tax and refund amount are verified correct using IDRS	Take the following steps: <ol style="list-style-type: none"> 1. Input Transaction Code (TC) 290 and TC 770 for .00 or the amount of the original interest along with the CR-INT-TO-DATE of the original TC 776/770 (whichever applies) 2. Use hold code (HC) 3 3. Use reason code (RC) 099, for 	<ol style="list-style-type: none"> 1. The refund has been released. 2. Provide the taxpayer with the applicable timeframe. 3. Refer to IRM 21.4.1.4 (3), Refund Inquiry Response Procedures, for processing timeframes.

			<p>IMF only</p> <p>Caution: In cases where IRS caused an error on the issuance of the refund, the taxpayer is entitled to more interest.</p> <p>Note: Refer to IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), for more information.</p>	
2	Taxpayer returns a refund check	Refund was in error (taxpayer indicates the payment belongs on another module)	<p>Transfer the payment to the correct module. Follow procedures in IRM 21.4.3.5.1, Checks Returned to Regional Financial Center (RFC) by the Taxpayer or U.S. Postal Service.</p> <p>Note: If there is an open control base on the module with a TC 841 and a P-freeze, complete a Form 4442/e-4442, Inquiry Referral, with the information you obtain from the taxpayer. Refer the case to the Refund Inquiry employee or unit with the open control.</p>	<p>The payment has been transferred to the correct module.</p> <p>Note: If you must complete a Form 4442/e-4442, advise the taxpayer of the proper timeframe. Refer to IRM 21.3.5.4, Referral Procedures, for more information.</p>
3	Taxpayer returns	Taxpayer states	Refer to IRM	The actions taken

	a refund check with correspondence	refund amount is incorrect	21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), for more information.	on the account.
4	Taxpayer returns a refund check	Refund was correct when issued, AND IRS did not misapply the payment, OR credit elect was not requested on the original return, AND the taxpayer indicates the payment belongs on another module	Transfer the payment to the correct module. Refer to IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), for more information. Note: If there is an open control base on the module with a TC 841 and a P-freeze, complete a Form 4442/e-4442, Inquiry Referral, with the information you obtain from the taxpayer. Refer the case to the Refund Inquiry employee or unit with the open control.	The payment has been transferred to the correct module. Note: If you must complete a Form 4442/e-4442, advise the taxpayer of the proper timeframe. Refer to IRM 21.3.5.4, Referral Procedures, for more information.
5	Module has a P-freeze and the refund has been stopped	Taxpayer received a math error notice for a missing Social Security Number (SSN) or Individual Taxpayer Identification Number (TPNC 604) or invalid dependent TIN (TPNC 605),	Correct the math error on the account. Refer to IRM 21.5.4.4, Math Error Procedures Research, for correcting the account.	The math error has been corrected and provide applicable timeframes. Refer to IRM 21.5.4.4, Math Error Procedures Research, for information on timeframes.

		AND the taxpayer can supply a correct TIN		
6	Module has a P-freeze AND Notice Review has canceled the refund	Review of control history and research of account indicates no pending action or unresolved TIN math errors on account	Release the refund as in the first box above.	The refund has been released. Refer to IRM 21.4.1.4 (3), Refund Inquiry Response Procedures, for more information on timeframes.
7	P- freeze resulted from undelivered direct deposit refund	N/A	Refer to IRM 21.4.1.5.7, Direct Deposits — General Information, for more information.	N/A
8	P- freeze resulted from non-receipt claim coded "H" or "X" (Block and Serial Number of TC 841 will be 88899)	N/A	Release as instructed in first block above (if appropriate). Exception: If there is an open control to Refund Inquiry, complete a Form 4442/e-4442 with the information you obtain from the taxpayer. Refer the case to the Refund Inquiry employee or unit with the open control.	If the refund has been released, provide the taxpayer with the appropriate timeframe. Refer to IRM 21.4.1.4(3), Refund Inquiry Response Procedures, for processing timeframes. Note: If you must complete a Form 4442/e-4442, advise the taxpayer of the proper timeframe. Refer to IRM 21.3.5.4, Referral Procedures, for more information.
9	P- freeze is present	P- freeze resulted from Integrated Customer Communications Environment	Refer to IRM 21.4.2.4.16, Automated Refund Trace Applications	N/A

		(ICCE) refund trace	Integrated Customer Communications Environment (ICCE) Refund Trace, Internet Refund Trace (IRTRC), and Internet Refund Fact of Filing (IRFOF).	
10	Refund was canceled by a function other than RIVO or Criminal Investigation (CI) Scheme Development Centers (SDC) in the campuses (CI)	N/A	Refer to IRM 21.5.10.3.1, Integrated Data Retrieval System (IDRS) Research Exam Issues, or Exhibit 21.5.10-1, Audit Information Management System (AIMS) Status Code Guide - Field Cases, and Exhibit 21.5.10-2, Audit Information Management System (AIMS) Status Code Guide - Campus Cases, for more information.	N/A
11	The module contains a background control without an adjustment to the account Note: The controlling employee may be waiting for information from the taxpayer.	The information can be used to resolve the account issue	Prepare a Form 4442/e-4442. Include all of the taxpayer information and refer the case to the controlling employee.	<ol style="list-style-type: none"> 1. You are sending a referral. 2. Provide the taxpayer with the proper timeframe. Refer to IRM 21.3.5.4, Referral Procedures.

12	The module contains the altered check marker TC 971 AC 123 MISC>ALTERED CHECK	A TC 841 with DLN containing 88899 has posted	Do not release the refund	Advise the taxpayer the return is being reviewed, and to allow 6-8 weeks from the date of the TC 841 to receive the refund or a notice.
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Note: When releasing refunds, more interest is allowed for a delay in the delivery of refunds due to IRS error. Refer to Rev. Rul. 76-74. The following are situations in which additional interest will be allowed beyond the date determined by the Secretary or his delegate preceding the date of the initial refund check by not more than 30 days:

A refund check is made payable to a person other than the taxpayer, and therefore may not be negotiated by the taxpayer. In such cases, the check subsequently issued payable to the taxpayer fixes the period of interest under IRC 6611 (b)(2).

A taxpayer's refund is deposited by check as an offset against an asserted claim of another agency, but the offset is invalid or the amount due to the taxpayer exceeds the claim of the other agency. In such cases, the check subsequently issued payable to the taxpayer fixes the period of interest under IRC 6611 (b)(2).