

## IRM PROCEDURAL UPDATE

**DATE: 10/08/2024**

**NUMBER: ts-21-1024-1024**

**SUBJECT: Various Changes to Returned Refunds/Releases**

**AFFECTED IRM(s)/SUBSECTION(s): 21.4.3.5.2**

**CHANGE(s):**

**IRM 21.4.3.5.2(1) - Updated to include phone procedures for CSRs contacted by taxpayer regarding POC. Change made for missing information.**

(1) A recertified check is any check reissued to the taxpayer to replace an original check. If a check was cancelled, the account will show a credit for the refund, TC 841 or TC 740. A refund may be cancelled for any of the following reasons:

- Undelivered refund - See IRM 21.4.3.5.3, Undeliverable Refund Checks
- Limited Payability - See IRM 21.4.2.4.7, Limited Payability (LP) Rules
- Result of a refund claim (CC CHKCL) - See Exhibit 21.4.2-1, Command Code (CC) "CHKCL" Input
- Refund intercept (CC NOREF) - See IRM 21.4.1.5.10, Refund Intercept Command Code NOREF with Definer "P"
- Refund returned by the taxpayer - See IRM 21.4.3.5.4, Returned Refund Check Procedures, IRM 21.4.3.5.5, Resolving Returned Refunds (Unexpired Checks), and sub-sections, and IRM 21.4.3.5.6, Resolving Returned Expired Refunds Limited Payability, and sub-sections

**Note:** When a refund check is cancelled, there is no "stop payment" placed on the check. The original check appears negotiable and is often cashed. If a check is cashed after being cancelled, a debit TC 843, Payment Over Cancellation (POC), will post to the account. POCs are handled by the Accounting Function. If correspondence is received regarding a POC, take no action on the account, route the inquiry to the Accounting function with the open control, or originating site based on RSN, for resolution. To determine the appropriate campus for routing see IRM 21.4.2.4.14 (2), Account 6565 Processing for Refund Inquiry Function. Notate AMS with actions taken and close the refund inquiry control base. Accounting will address the taxpayer's correspondence as needed. If contacted by phone, refer to IRM 21.3.5.4.1, When to Prepare a Referral, include taxpayer contact information and any details that the taxpayer gives which may help resolve the case.

**Editorial changes made throughout the IRM for clarity and updated plain language, grammar, web addresses, IRM, legal references.**