

IRM PROCEDURAL UPDATE

DATE: 12/17/2024

NUMBER: ts-21-1224-1233

SUBJECT: Updates to Refund Trace and Limited Payability

AFFECTED IRM(s)/SUBSECTION(s): 21.4.2

CHANGE(s):

IRM 21.4.2.4(3) - Updated to include exception to direct CSRs to the new IRM for RAL/RAC refunds. Changes made to clarify information.

IRM 21.4.2.4(3) - Updated first note to direct CSRs to the procedures for subsequent contact when TC 971 AC 011 is posted on an account. Change made for IRM consistency.

(3) All taxpayer inquiries concerning direct deposits should be treated as any other inquiry. The input of the CC CHKCL will cause the generation of a FS Form 150.1 to the financial institution. This serves as an official request to the bank to search for the electronic funds transfer. See IRM 21.4.1.5.7, Direct Deposits - General Information and IRM 21.4.1-2, Most Common Banks That Offer Refund Transfer Products (RAL/RAC).

Exception: Refunds issued through a Refund Advance Product (RAL/RAC) have special procedures. For more information see IRM 21.4.1.5.7.2, Direct Deposit Refund Advance Product (RAL/RAC).

Note: If the module already has a TC 971 AC 011 posted and no indication of the previous disposition, **do not** input CC CHKCL to initiate a second trace of the refund. Refer to IRM 21.4.2.4.4, Responding to Taxpayer's Subsequent Inquiries Regarding Refund Trace and follow procedures for direct deposit refunds.

Note: Direct deposit refund trace requests have a **90-120** day processing time frame. If your case requires expedite handling (i.e., TAS hardship case or Congressional E-Trak case), elevate the trace request to the site's designated Refund Inquiry POC for Bureau of the Fiscal Service (BFS) expedite referrals.

IRM 21.4.2.4.1(4) - Updated to add procedures for Form 3911 received but EIP was not issued. Change made for missing scenario.

(4) For cases where the Economic Impact Payment (EIP) was not issued, but the taxpayer filed a Form 3911, send a closing letter for your case, as indicated below:
For 2020: Use a Letter 916C, Claim Incomplete for Processing; No Consideration, as your closing letter for your case. Include an open or floating paragraph to advise the taxpayer of the following: *Our records do not show an Economic Impact Payment (EIP) was issued to you. To claim the Rebate Recovery Credit, you must have filed a return claiming the credit. The deadline to file a return claiming a refund for 2020 was May 17, 2024.*

For 2021: Use a Letter 206C, Refund Inquiry; Copy of Check Requested or provided/Check Being Traced Form 13818, as your closing letter for your case. Include an open or floating paragraph to advise the taxpayer of the following: *Our records do not show an Economic Impact Payment (EIP) was issued to you. To claim the Rebate Recovery Credit, you must file a Form 1040, U.S. Individual Income Tax Return, for the 2021 tax year and claim the credit. The deadline to file a return claiming a refund for 2021 is April 15, 2025.*

IRM 21.4.2.4.4(1) box 14 - Updated to add scenario regarding taxpayers missing replacement check. Change made for missing scenario.

(1) The taxpayer or their authorized representative, may subsequently inquire, either by phone or in correspondence, after initiation of a refund trace on their missing refund check or non-receipt of a direct deposit refund. Determine if the taxpayer expected to receive their refund as a paper check or direct deposit. Use the following table in your attempt to resolve the taxpayer's issues. If no TC 971 AC 011, for the refund in question, is posted after the TC 846 date, see IRM 21.4.2.4, Refund Trace Actions.

Reminder: The "MEMO-MONEY-AMT" field of the TC 971 AC 011, which indicates a previous trace, indicates the dollar amount of the refund being traced.

Note: In the chart below if it states, "your affiliated RI unit", Puerto Rico will send their IMF IRM-directed Forms 4442/e-4442 to the Brookhaven Campus Refund Inquiry unit and all BMF IRM-directed Forms 4442/e-4442 will be referred to the Cincinnati Campus Refund Inquiry unit.

Row	If	And	Then
1	Taxpayer calls to check the status of their refund trace	The refund was issued as a paper check	1. Research IDRS to determine the disposition code of the claim. Follow the procedures for the appropriate disposition code. See Exhibit 21.4.2-5, Disposition and Status Codes — Additional Action Time Frames, for more information.

			<p>2. If it has been longer than six weeks since the refund trace was started and there is no disposition code or you cannot resolve the taxpayer's inquiry, send Form 4442/e-4442 to the Refund Inquiry Unit which either now controls the case, or to your affiliated RI unit if there is no current control base.</p> <p>Select Referral Type: IRM, IRM Category: Refund, Sub-category: Refund Trace-Subsequent</p> <p>Contact and Reason: Other or Complex Issue/Training Specialization.</p> <p>Under notes section, include pertinent information.</p> <p>Verify taxpayer's telephone number and address.</p> <p>Advise the taxpayer to expect a response within 30 days.</p>
2	Taxpayer calls to check the status of a direct deposit refund trace	Less than 90 days from the Activity Code 3911TORDCC	<p>Advise the taxpayer banks are allowed up to 90 days to respond to our request for information, from the date of the CC CHKCL input.</p> <p>Note: While banks may have 90 days to respond, it may take up to 120 days for resolution.</p>
3	Taxpayer calls to check the status of a direct deposit refund trace	90 days or more from the Activity Code 3911TORDCC	<ol style="list-style-type: none"> 1. Research IDRS to determine the disposition code of the claim. Follow the procedures for the appropriate disposition code. See Exhibit 21.4.2-5, Disposition and Status Codes — Additional Action Time Frames, for more information. 2. If there is no disposition code or you cannot resolve the taxpayer's inquiry, send Form 4442/e-4442 to the Refund Inquiry Unit which either now controls the case, or to your affiliated RI unit if there is no current control base.

			<p>Select Referral Type: IRM, IRM Category: Refund, Sub-category: Refund Trace-Subsequent Contact and Reason: Other or Complex Issue/Training Specialization..</p> <p>Under notes section, include pertinent information. Verify taxpayer's telephone number and address. Advise the taxpayer to expect a response within 30 days.</p>
4	Taxpayer finds their paper refund check after Form 3911, Taxpayer Statement Regarding Refund, was sent, or a refund trace was initiated per oral statement authority	no content	<ol style="list-style-type: none"> 1. Determine if the CC CHKCL action can be interrupted. See Note below for CHKCL TERUP time frame. Note: A refund trace cannot be interrupted if the campus deadline to "DQ" the trace has passed. Per IRM 2.4.23.2 (5), General Overview for Command Code CHKCL/CHKCLR, CC TERUPC can only be done on the same day of input. 2. If it is too late to cancel the trace and the trace was valid, advise the taxpayer to wait for a replacement check and return the original when the replacement is received. If the original check is found and cashed, advise the taxpayer to return the replacement check. See IRM 21.4.3.5.4, Returned Refund Check Procedures, for information. Input a History Item on CC TXMOD saying "CHKFOUND". 3. If the CC CHKCL was input today and the TERUP can be completed (this action requires same day contact with the site that completed the input of CC CHKCL), advise the taxpayer

			the refund trace can be cancelled, and the check can be cashed.
5	Taxpayer locates their direct deposit refund after Form 3911, Taxpayer Statement Regarding Refund, was sent, or a refund trace was initiated per oral statement authority	no content	<ol style="list-style-type: none"> 1. Determine if the CC CHKCL action can be interrupted. See Note below for CHKCL TERUP time frame. Note: A refund trace cannot be interrupted if the campus deadline to "DQ" the trace has passed. Per IRM 2.4.23.2 (5), General Overview for Command Code CHKCL/CHKCLR, CC TERUPC can only be done on the same day of input. 2. If it is too late to cancel the trace and the trace was valid, advise the taxpayer to contact their bank regarding the trace and request assistance. Input a History Item on CC TXMOD saying "DEPFOUND". 3. If the CC CHKCL was input today and the TERUP can be completed (this action requires same day contact with the site that completed the input of CC CHKCL), advise the taxpayer the refund trace can be cancelled, and the direct deposited funds can be used.
6	Taxpayer received FS Form 1133, Claim Against the United States for the Proceeds of a U.S. Treasury Check.	Check was cashed by someone other than the taxpayer	<p>Advise the taxpayer to complete the claim form (FS Form 1133) and return it to the Bureau of the Fiscal Service (BFS) to pursue the claim.</p> <p>Note: If the taxpayer needs assistance with FS Form 1133, provide the taxpayer with the BFS Check Claims Branch toll-free number, 855-868-0151 between the hours of 8:00 a.m. and 4:30 p.m. ET Monday - Friday. Advise to press option 1, then option 1 again. Both English and Spanish speaking</p>

			assistance is available on the Check Claims toll free number.
7	Taxpayer received FS Form 1133, Claim Against the United States for the Proceeds of a U.S. Treasury Check	Check attached to the FS Form 1133 does not belong to the taxpayer	Advise the taxpayer to contact the BFS Check Claims Branch toll-free number, 855-868-0151 between the hours of 8:00 a.m. and 4:30 p.m. ET Monday - Friday to report the incorrect check received. Advise to press option 1, then option 1 again. Both English and Spanish speaking assistance is available on the Check Claims toll free number.
8	Taxpayer received FS Form 1133, Claim Against the United States for the Proceeds of a U.S. Treasury Check	Does not wish to pursue the claim	Advise the taxpayer no further action is required. Taxpayer may keep the copy of the check for personal records.
9	Account shows category PAID	Taxpayer states they did not receive the FS Form 1133	Advise the taxpayer to contact the BFS Check Claims Branch toll-free number, 855-868-0151 between the hours of 8:00 a.m. and 4:30 p.m. ET Monday - Friday to request FS Form 1133 be sent to them. Advise to press option 1, then option 1 again. Both English and Spanish speaking assistance is available on the Check Claims toll free number.
10	Taxpayer finds the original check	Also received a replacement check	Advise the taxpayer to return the original as soon as possible. See IRM 21.4.3.5.4, Returned Refund Check Procedures, for information. Input a History Item on CC TXMOD saying "CHKFOUND".
11	Taxpayer sends correspondence to check the status of their refund trace	A TC 971 AC 011 is posted after the TC 846 date	<ol style="list-style-type: none"> 1. Use information from the boxes above to research the account. 2. Follow procedures in IRM 21.3.3.3.4, Quality and Timely Responses, to advise taxpayer of the current status of their refund trace.
12	Taxpayer's reply to 206C letter requesting additional	A TC 971 AC 011 is posted after the TC 846 date	Refer the case to the Refund Inquiry Unit that initiated the trace (refer to the first 2 digits of the TC 971 AC 011 DLN) for additional research and reply

	information is received in CII		to the taxpayer. For addresses, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab.
13	Taxpayer's completed FS Form 1133 is received in CII	A TC 971 AC 011 is posted after the TC 846 date	Refer the case to the Refund Inquiry Unit that initiated the trace (refer to the first 2 digits of the TC 971 AC 011 DLN) for additional research and reply to the taxpayer. For addresses, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab.
14	Taxpayer was issued a replacement check by BFS	Taxpayer states they did not receive the replacement check	Advise the taxpayer to contact the BFS Check Claims Branch toll-free number, 855-868-0151 between the hours of 8:00 a.m. and 4:30 p.m. ET Monday - Friday to request FS Form 1133 be sent to them. Advise to press option 1, then option 1 again. Both English and Spanish speaking assistance is available on the Check Claims toll free number.

Note: If you are unable to determine where an employee is located, refer to the IUUD:IDRS UNIT & USR DATABASE and Discovery Directory. When faxing Form 4442/e-4442, you must use the fax number provided in the IRM if one is available. If a fax number is not available, refer to the fax number for the appropriate function shown on the Form 4442 Referral Fax Numbers on the SERP Who/Where page. For additional information regarding preparing Form 4442/e-4442 and sending to the responsible Refund Inquiry function, see IRM 21.3.5.4.3, How to Transmit/Route Referrals to Another Office/Function.

IRM 21.4.2.4.11(12) - Updated to align wording/conclusions with the response received from the CSD. Changes made to clarify information.

(12) When the response is received from the CSD, the entire case file will be returned with a cover sheet entitled "Report of Laboratory Examination, IRS Claim Resolution (LP Trace)."

If CSD response indicates	Then
There are indications the payee was the writer	<ol style="list-style-type: none"> 1. Deny the claim. 2. Send Letter 2218C; include paragraph R in your response.

There are indications the payee was not the writer	Allow the claim, if it otherwise appears valid.
No Conclusion - additional signature samples are required	<ol style="list-style-type: none"> 1. Correspond with taxpayer using Letter 2219C, Refund Inquiry; Check Claim Received, Interim, Handwriting Sample Requested, using an open paragraph. Suspend case for 45 days (70 days for overseas taxpayers). 2. Request taxpayer to sign his name ten times on the back of the "C" letter. 3. Additionally, request copies of ten (10) documents signed within one year of date of refund check, if available. 4. When signatures are received, return case to "CSD" with "CSD" cover sheet on front or make the forgery determination if possible.
No Conclusion - a better copy of the check is needed	<ol style="list-style-type: none"> 1. Research TCIS for a better photocopy of check. 2. If a better copy is located, return case to "CSD" with "CSD" cover sheet on front. 3. If a better copy is not located, elevate the case to your manager to request better check copy from BFS. Follow (2) above when better copy is received. 4. If better copy is not provided, do not return to "CSD". <ul style="list-style-type: none"> - Deny the claim. - Send Letter 2218C; include paragraph P in your response.
No Conclusion - too limited/poor quality/other	<p>Unless the original check becomes available, no further examinations by "CSD" are practical at this time because of the limitations present in the evidence.</p> <ol style="list-style-type: none"> 1. Deny the claim. 2. Send Letter 2218C; include paragraph P in your response.

IRM 21.4.2.4.15.5.1(1) - Updated to remove outdated reports. Change made for IRM consistency.

(1) The Bureau of the Fiscal Service (BFS) generates the IRS Daily Closure Report that includes a listing of completed FS Form 150.1 for direct deposit refund traces. The report is generated as cases are closed at BFS and issued to the individual contact site that initiated the refund trace to assist with managing the direct deposit refund trace claim inventory. The report provides a direct link to the posted FS Form which has been scanned to the Treasury Check Information System (TCIS). This allows the Refund Inquiry team to manage which cases have received a response

for the trace input more efficiently. The IRS Daily Closure Report should be utilized prior to researching TCIS for FS Forms 150.1 posting.

Note: BFS will suspend cases in their system if the FS Form 150.1 contains a message such as, "R06 sent", "send R06" or TCIS contains notes that an R06 letter was issued. Both the FS Form 150.1 **and** the bank's response to the R06 letter must be scanned to TCIS before the case can be closed by BFS **and** included on the IRS Daily Closure Report. If a case is included on the IRS Daily Closure Report without the bank's final response, contact your local Planning & Analysis liaison with the ACH Trace Number/TCIS Trace Number and request the information be forwarded to Headquarters for coordination with BFS for case investigation. Update the case activity to "**R06toBFS**" and continue with normal Status 09 processing. See Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions. Ensure case is not transferred to another site while awaiting resolution from BFS.

Note: If a case has been transferred to another campus, the initiating campus receives a response on their IRS Daily Closure Report for the case and the control remains open in the receiving campus, then the case control should be reassigned back to the initiating campus and the necessary closing actions taken.

Note: The FS Form 150.1 contains possible Personally Identifiable Information (PII) and cannot be sent to the taxpayer.

Exhibit 21.4.2-1(7) f - Updated to include RIVO as a user of non-receipt code F and to include information regarding Freeze set when non-receipt code F is used. Changes made to clarify information.

(1) Accounts Management employees are required to use the Missing Refund (CHKCL) IAT tool, see IRM 21.2.2-2, Accounts Management Mandated IAT Tools. See IAT CHKCL Tool Job Aid for IAT input guidance and CC CHKCL for field descriptions.

Caution: Do not initiate a refund trace if there is RIVO involvement or External Lead indicators on the module. See IRM 25.23.12.4.1, Telephone Inquiries Regarding Identity Theft Victim Assistance (IDTVA) Tax-Related Cases, for additional information. Also see IRM 21.5.6.4.35.3, -R Freeze Overview For Accounts With Return Integrity Verification Operations (RIVO) Involvement, for additional information. For External Lead indicators see IRM 25.25.8-2, External Lead Involvement Indicators. If found, follow procedures in IRM 25.25.8.7, Responding to Taxpayer Inquiries.

(2) Assistors are authorized to input CC CHKCL based on an oral statement authority (OSA) from the taxpayer if **all** the following conditions are met:

Note: If the taxpayer does not meet oral statement criteria, advise the taxpayer that Form 3911, Taxpayer Statement Regarding Refund, is available through the internet on IRS.gov. See IRM 21.3.6.4.2, Other Methods of Obtaining Forms and Publications. If the taxpayer cannot obtain the form online, advise the taxpayer you

can mail or fax them a form. Use of the IAT Missing Refund (CHKCL) tool is mandatory when sending the Form 3911 to the taxpayer. Be sure to verify the taxpayer's mailing address. If taxpayer has moved since filing their return and their current address is not on record (CC ENMOD), DO NOT UPDATE ADDRESS ON CC ENMOD. Advise the taxpayer to file Form 3911. See IRM 21.4.2.4 (5), Refund Trace Actions, for fax options.

- a. The IMF paper check was scheduled for mail out **four weeks** prior to taxpayer's contact (**nine weeks** for a foreign address) or their direct deposit was issued at least five calendar days prior to contact. Use the table below to determine the IMF paper check mail out date or the direct deposit date. Input immediately if taxpayer says the check was received but lost, stolen, or destroyed.

Refund issued as	Determine date issued
IMF paper check	For current year and all prior year IMF returns, the issue/mailling date is found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".
IMF direct deposit	For all current and prior year IMF returns, the deposit date is found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".
Accelerated Cycle as a check prior to January 1, 2012	See dates in Item (11) listed below.

- b. **The systemic refund (TC 846) paper refund date must be 12 months or less from current date, direct deposit refund must be 6 years or less from current date.**
- c. Valid TIN.

Note: If the return has been resequenced, CC CHKCL must be entered on the original TIN the refund was issued on.

- d. Tax return filed can be an individual or business tax return.
- e. Taxpayer resides at the address currently on record (CC ENMOD). If taxpayer resides at a different address, DO NOT change the address unless the taxpayer meets oral statement criteria for an address change. See IRM 21.1.3.20.1, IMF and BMF Oral Statement Address Changes, for guidance. If you **can** update the address per oral statement, input CC CHKCL using the new address to begin the refund trace. If the taxpayer does not meet oral statement criteria, DO NOT input CC CHKCL. Advise the taxpayer you are mailing them a Form 3911, Taxpayer Statement Regarding Refund, to complete and sign, or advise the taxpayer that Form 3911 is available

through the internet on IRS.gov. See IRM 21.3.6.4.2, Other Methods of Obtaining Forms and Publications. Advise the taxpayer they can either mail or fax their form back to the IRS and provide the address, and fax number of the IRS campus Refund Inquiry function associated to the taxpayer's state of residency. Advise the taxpayer they will be contacted by the Refund Inquiry Unit within 6 weeks for a paper refund check, or 120 days for a direct deposit refund, from the date the Form 3911 is received. For fax numbers and addresses, see Refund Inquiry Unit Addresses, located on SERP under the Who/Where tab. Use of the IAT Missing Refund (CHKCL) tool is mandatory when sending the Form 3911 to the taxpayer. When speaking to the taxpayer or their authorized representative, advise the taxpayer they must sign the Form 3911. For joint returns, both taxpayers must sign. An acceptable signature may be handwritten, electronic or digital. If surviving spouse, advise the taxpayer to add **Surviving Spouse** on the decedent's signature line. See IRM 21.6.6.2.21.2 (1), Processing Decedent Account Refunds, for Form 1310 requirements.

Note: Form 3911 can be used as written documentation to change a taxpayer's address. Upon receipt of Form 3911, update the address and input CC CHKCL. However, if the refund check was returned undelivered by the Postal Service, do not input CC CHKCL. See IRM 21.4.3.5.3, Undeliverable Refund Checks.

- f. Not a manual refund (TC 840), see (3) below for instruction.
- g. Not a mixed entity account.
- h. Not a full TOP offset matching the TC 846 amount. If TC 898 matches the TC 846, this is a full TOP offset. See IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset, procedures.
- i. No TC 740, TC 841 or TC 843 matching the TC 846 in question. If freeze codes are present, follow freeze release procedures.
- j. No TC 971 AC 011 (indicates previous trace) posted after the TC 846 date.

Note: If TC 971 AC 011 is present, see IRM 21.4.2.4.4, Responding to Taxpayer's Subsequent Inquiries.

(3) If the refund was issued as a manual refund (TC 840), OSA can't be accepted. **DO NOT** input **CC CHKCL**. Advise the taxpayer that Form 3911, and Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or court documents are required in order to trace the missing refund and re-issue the refund if returned. Advise the taxpayer that Form 3911, Taxpayer Statement Regarding Refund, is available through the internet on IRS.gov. See IRM 21.3.6.4.2, Other Methods of Obtaining Forms and Publications. If the taxpayer cannot obtain the form online, advise the taxpayer you can mail or fax them a form. Use of the IAT Missing Refund (CHKCL) tool is mandatory when sending the Form 3911 to the taxpayer. Be sure to verify the taxpayer's mailing address. If taxpayer has moved since filing their return and their current address is not on record (CC ENMOD), **DO NOT UPDATE ADDRESS ON CC ENMOD**. See IRM 21.4.2.4 (5), Refund Trace Actions, for fax options.

(4) After determining taxpayer meets oral statement criteria or a completed Form 3911 has been received, follow the CC CHKCL procedures to start the refund trace (recertification) process.

(5) Access CC TXMOD for the period in question.

(6) Open a control base as follows. This base must be created prior to CC CHKCLR input:

- a. CC ACTON
C#, CHKCLINPUT,B,3911
*, the IRS received date

(7) See Exhibit 2.4.23-3, CC CHKCL Input Example, for additional information on CC CHKCL. Below is information regarding the input screen.

- a. Overlay CC TXMOD with CC CHKCLR, the response will be CC CHKCL.
- b. Line 1 is generated from CC TXMOD.
- c. Line 2–5 Enter taxpayer's name on Line 2 (Name Line 1). Use the additional name lines for any in-care-of or other information. If the check copy and/or claim form are to be sent to the IRS employee instead of the taxpayer, input Internal Revenue Service on Name Line 2.
- d. Line 6–7 Enter taxpayer's current address or the address where the claim form/check copy are to be sent if the check is paid.

Note: Input of a name or address different from that on CC ENMOD will not update the master file Entity.

- e. Line 8 Check Number (used by Refund Inquiry Unit **ONLY**.)
- f. Line 9 Overlay T with the type of non-receipt code:
 - C = Request for certified photocopy check (no P freeze set).
 - D = Destroyed, unendorsed check (no P freeze set).
 - E = Lost stolen or destroyed endorsed check (no P freeze set).
 - F = Non-entitlement (Used by Refund Inquiry Unit or RIVO only) (P- Freeze set).
 - H = Unendorsed check freeze cancellation credit (P- Freeze set).
 - J = Non-receipt of substitute check (Used by Refund Inquiry Unit only).
 - L = Lost, unendorsed check (no P freeze set).
 - N = Non-receipt of refund (no P freeze set).
 - P = Request for regular photocopy of check (no P freeze set).
 - S = Stolen, unendorsed check (no P freeze set).
 - X = Endorsed check freeze cancellation credit (P- Freeze set).
- g. Line 9 Refund schedule number (RSN) = YYYYJJJSCTLLLL. On refunds issued in 2003 and later, input the refund schedule number shown on CC TXMOD as "RSN" below the TC 846. On CC IMFOLT the RSN is located to the right of the TC 846. Be sure to **modify** input using the campus number with which you are affiliated.
YYYY = (1-4 position) Cycle **YEAR** of the refund TC 846. **NOT the TAX**

PERIOD.

JJJ = (5-7 position) Julian date refund is issued.

SC = (8-9 position) Modify by inputting your affiliated service center.

T = (10th position) File type "1" for IMF/CADE/CADE 2; "0" for BMF; "3" for CADE (obsolete as of January 1, 2012); "4" for IRAF; "5" for other; "6" for Non-Master File.

LLLL = (11-14 position) Alpha characters; Four blanks for paper refunds; "Z" followed by three blanks for direct deposit; "I" followed by three blanks for International; "ZI" followed by two blanks for International direct deposit.

h. Line 9 Enter "Y" Generate TC 971 this generates a TC 971 AC 011. Only the Refund Inquiry Unit can use "N" for this entry.

i. Line 10 MMYYYY

MMYYYY=Issue date of refund input. Input actual date of the refund

MM= month; **YYYY** = year.

IMF paper refund check and direct deposit refund dates are found on CC IMFOLT on the line below the TC 846 as "RFND-PAY-DATE", and on CC TXMOD on the line below the TC 846 as "RFND-PYMT-DT>".

BMF check date - Add 1 calendar day to the TC 846 date.

BMF direct deposit date - Subtract 6 calendar days from the TC 846 date.

Accelerated cycle check date, see dates in items 11 below.

j. Line 10 Type of Payment code (P)

I = IMF

B = BMF

D = IDRS (CC RFUND)

M = Manual refund

k. Line 10 Sequence number of input from 001–999.

l. Line 10 DO = leave blank.

m. Lines 11, 13, and 15 Overlay the dollar signs with the full TC 846 or TC 840 amount of the refund you are tracing, even if a TOP partial offset has reduced the refund amount. If a TC 898 matches the TC 846 or TC 840, DO NOT input CC CHKCL.

n. Lines 11, 13, and 15 split refund indicator (SRI) = Indicates the type of split refund. Values are:

o 0 - Not a split refund.

o 1 through 3 - Enter the SRI related to the TC 846 shown on account for the refund you are tracing.

Exhibit 21.4.2-2 Disposition Status Code 11 - Updated to provide additional direction to send copy of claim form to taxpayer if available on TCIS under separate cover to avoid erroneous responses. Changes made to clarify information.

The disposition code is located in the Activity Field of the IDRS Control History. The disposition code is displayed as the first 2 digits of the Activity Code followed by the date the Bureau of the Fiscal Service (BFS) provided the Disposition in YYYYMMDD format (i.e., 0120190325 = Disposition 01 provided by BFS on March 25, 2019).

Note: Additional category code information can be found in, Exhibit 21.4.2-6, Category Codes.

Note: Additional Disposition Code 11 information can be found in IRM 21.4.2.4.4.1, Subsequent Inquiries, With Status Codes, Without Prior Forgery Determination (CSR's and Refund Inquiry Unit), and Exhibit 21.4.2-5, Disposition and Status Codes - Additional Action Time Frames.

Reminder: In the follow up actions outlined below for IMF cases, except where noted, close cases with a TC 290 .00, use Blocking Series **05** and a source document. A source document is defined as a paper Form 3911, Taxpayer Statement Regarding Refund, and/or taxpayer correspondence. A source document is not required for refund trace cases initiated via phone calls, or online through the Where's My Refund application.

Note: If External Lead indicators are present, close your control with an activity code of **BKLD-PRES**. See IRM 25.25.8-2, External Lead Involvement Indicators, for more information.

Disposition Status Code ★ (Asterisk equals blank)	Category Code	Definition	Follow Up Action
01	ACKN	Claim processed by RFC to Treasury Check Information System (TCIS).	<ol style="list-style-type: none"> Wait 30 days for second status. No reply, resubmit CC CHKCL.
03	OOPS	Rejected (Failed preliminary validity checks.)	<ol style="list-style-type: none"> Pull case. Resubmit CC CHKCL.
04	OOPS	<ol style="list-style-type: none"> Previously processed as Available Check Cancellation (ACC), Refund credit returned by RFC, through the Electronic Funds Transfer (EFT) from the bank, Refund check intercepted, Undeliverable TC 740. See IRM 21.4.3.5.3, 	<p>(1 - 4) Take action to release credit, if necessary. Place any case documentation in classified waste when actions are complete.</p> <p>5) Initiate the refund trace through the Treasury Check Information System (TCIS).</p>

		<p>Undeliverable Refund Checks.</p> <p>5. If the refund credit has already generated a subsequent TC 846 in the same month. don't input CC CHKCL as the refund trace will default to the first TC 846. See IRM 21.4.1.4.3, Multiple Refunds Issued From the Same Module in the Same Cycle.</p>	
05	OOPS	Check previously mailed (within 5 days).	Close case and place any case documentation in classified waste when actions are complete.
06	OOPS	Previous CC CHKCL.	<p>Check TCIS for previous claim. Send Letter 129C, Refund Inquiry; Form 3911 Required or Letter 206C, Refund Inquiry; Copy of Check Requested or Provided/Check Being Traced Form 13818, as appropriate, to the taxpayer. Include check number and date along with the toll-free telephone number for the Bureau of the Fiscal Service (BFS). Place any case documentation in classified waste when actions are complete.</p>
07	OOPS	No payment issued or unprocessable claim.	<ol style="list-style-type: none"> 1. Pull Case. 2. Conduct additional research (i.e., different TIN.) 3. Resubmit CC CHKCL. <p>Note: If input of additional CC CHKCL does not yield results, initiate the refund trace through the Treasury Check Information System (TCIS).</p>

			Note: Do not reinput trace for EIP pre-paid debit cards.
08	OOPS	Second trace input on DD.	<p>Monitor case for 30 days.</p> <ul style="list-style-type: none"> • BFS will automatically follow up with the financial institution until the issue is resolved. BFS will load an electronic copy of the FS Form 150.1 to TCIS when it is received from the financial institution. • If after 30 days, there is no FS Form 150.1 posted on TCIS, send the taxpayer a Letter 86C, Referring Taxpayer Inquiry/Forms to Another Office, to notify them you are transferring the case to BFS for resolution. • In your letter, advise the taxpayer: <ul style="list-style-type: none"> a. The BFS toll-free assistance center phone number is 855-868-0151. b. They should select option 1, then option 1. c. The call center can be reached between the hours of 8:00 a.m. and 4:30 p.m. ET Monday - Friday. d. English and Spanish speaking assistance is available. • Close case. See reminder above. • If the FS Form 150.1 is loaded to TCIS, update the case control to "DDPD" and follow status 09 instructions.

			<ul style="list-style-type: none"> If a Form 4442/e-4442, Inquiry Referral, is received, research case and take appropriate action.
09	DDPD	<ol style="list-style-type: none"> RFC has contacted bank via FS Form 150.1 to trace refund. Bank to send a copy to RFC. RFC will load an electronic copy of the FS Form 150.1 to TCIS. 	<ol style="list-style-type: none"> Research TCIS. If FS Form 150.1 is located, verify routing transit number, account code (either C for checking or S for savings), bank account number on CC IMFOBT. If the information doesn't match, follow IRM 21.4.1.5.7.5, Non-Receipt of Direct Deposited Refunds-"Refund Inquiry Employees". If the information does match, send appropriate letter to the taxpayer. <p>Note: The FS Form 150.1 contains possible Personally Identifiable Information (PII) and cannot be sent to the taxpayer.</p> <ol style="list-style-type: none"> Close case. See reminder above. If it has been at least 90 days, and no FS Form 150.1 copy is available on TCIS, reinput CC CHKCL. Refer to Status 08 above. If FS Form 150.1 does not resolve taxpayer's issue, continue processing, if necessary. <p>Exception: If account contains history item of DEPFOUND, then case control may be closed without further action.</p>
10	OOPS	Invalid Stop Reason Code	<ol style="list-style-type: none"> Pull Case.

			2. Resubmit CC CHKCL.
2☆	OOPS	Amount difference	1. Pull Case. 2. Resubmit CC CHKCL.
3☆	OOPS	Claim submitted too early for RFC to process	1. Pull Case. 2. Resubmit CC CHKCL.
4☆	OOPS	Duplicate tape claims submitted.	1. Wait for update. 2. No reply in 30 days , resubmit CC CHKCL.
5☆	OOPS	Invalid Direct Deposit information submitted.	1. Pull Case. 2. Resubmit CC CHKCL.
7☆	ACKN	Photocopy request processed by RFC to TCIS.	1. Wait for 2nd status. 2. No reply in 30 days , research TCIS for copy. If not on TCIS, resubmit CC CHKCL.
9☆	PAID	Direct Deposit trace input with non-receipt Code "P" no FS Form 150.1 will generate.	Reinput trace with non-receipt Code "N" no limited payability on Direct Deposit. (Electronic File Transfer processed).
11	PAID or 3858	Paid -Photocopy and claim mailed to taxpayer.	BFS has sent claim package (FS Form 1133) to the taxpayer. Refund Inquiry Unit will send Letter 206C to taxpayer, including check information and using appropriate paragraphs. Close case. See reminder above. Note: For subsequent contact if a copy of the claim form is available on the Payment Details tab in TCIS, provide a copy of the claim form to the taxpayer without referring them to the BFS. To avoid erroneous responses, do not send FS Form 1133 as an attachment in your closing letter, send under separate cover without a return envelope.
14	PAID	1. Paid - Photocopy to follow, or 2. CC CHKCL input after an uncashed	1. Monitor for receipt. a. Upon receipt continue processing.

		check has expired and the credit returned to the IRS.	<p>See IRM 21.4.2.4, Refund Trace Actions.</p> <p>b. If copy not received in 30 days, research TCIS for a copy or reinput CC CHKCL.</p> <p>2. Research for TC 740 and release freeze if necessary.</p> <p>3. Close case. See reminder above.</p>
14	PAID	<p>1. Paid - Photocopy to follow, or</p> <p>2. CC CHKCL input after an uncashed check has expired and the credit returned to the IRS.</p>	<p>If no photocopy within 30 days:</p> <p>a. IDRS shows certified photocopy previously received, update Activity Code to reflect proper status of case, or</p> <p>b. IDRS shows no indication that certified photocopy received, contact BFS.</p>
15	PAID	Paid - Certified photocopy to follow.	<p>Monitor for receipt of certified photocopy.</p> <p>a. Upon receipt continue processing. See IRM 21.4.2.4.15.2, Request for Administrative Photocopy.</p> <p>b. If no photocopy within 30 days and IDRS shows photocopy previously received, update activity code to reflect proper status of case.</p> <p>c. If IDRS shows no indication that certified photocopy received, contact BFS.</p>
17	PAID	Paid - Endorsed, photo/claim to follow.	Monitor. If no photocopy in 30 days , contact BFS.
18	PAID	Paid - Claim submitted after the Limited Payability cutoff date.	If Form 3911 is available, research TCIS for a check copy.

			<ul style="list-style-type: none"> • If check is available on the TCIS system, provide the taxpayer with a copy and close case. See reminder above. • Input a TC 971 AC 011 on CC TXMOD using the date you secure the check. You must also include the money amount of the check in the FREEZE-RELEASE-AMT field. • If not found, process as a Limited Payability (LP) Trace, reinputting the CC CHKCL with non-receipt Code P. <p>If no Form 3911 is present, correspond with the taxpayer.</p>
20	OOPS	Payment declined due to alteration of check. Photocopy and claim to follow.	Monitor if no photocopy in 30 days , follow up, contact BFS.
22	OOPS	Insufficient agency information.	<ol style="list-style-type: none"> 1. Pull case. 2. Resubmit CC CHKCL. 3. Use appropriate Stop Reason Code.
27	OOPS	Previously processed as Limited Payability Check Cancellation and refund credit (TC 740) was returned by the RFC.	Take action to release credit, if necessary. Place case documents in classified waste when case is closed.
31		Check Outstanding. RFC will issue recertified check.	Monitor for TC 841.
32	ST32	Outstanding check cancelled credit will be returned to the IRS.	Monitor for TC 841.
33	OOPS	Outstanding - No Photocopy.	Send Letter 1219C, Refund Inquiry; (Joint F3911) Requires Certification: Form 1040.
53	OOPS	Reject - Duplicate Stop	Contact BFS Check Information Section at 855-868-0151, Option 1.

65	ACKN	Refund associated with TOP Offset.	<ol style="list-style-type: none"> Wait 30 days for second status. No reply, resubmit CC CHKCL.
71	OOPS	TOP Offset refund in full.	See IRM 21.4.6.6.1, Taxpayer Inquiries on TOP Offset
72	OOPS	TOP Offset partial refund.	See IRM 21.4.6.6.1, Taxpayer Inquiries on TOP Offset
90	OOPS	TCIS/PACER disconnect error.	Contact BFS to reset the interface indicator.

Exhibit 21.4.2-5(1) - Updated to add note referring CSRs to TAS guidelines when Taxpayer meets hardship criteria. Change made for missing scenario.

(1) The disposition code is located in the Activity Field of the Integrated Data Retrieval System (IDRS) Control History. The disposition code is displayed as the first 2 digits of the Activity Code followed by the date the Bureau of the Fiscal Service provided the Disposition in YYYYMMDD format, referred to in the chart below as the disposition date (i.e., 0120240325 = Disposition 01 provided by BFS on March 25, 2024).

Note: Additional Disposition Code 11 information can be found in IRM 21.4.2.4.4.1, Subsequent Inquiries, With Status Codes, Without Prior Forgery Determination (CSR's and Refund Inquiry Unit), and Exhibit 21.4.2-2, Disposition Code Chart - Refund Inquiry Employee Actions.

Note: When sending Form 4442/e-4442, Inquiry Referral, per the chart below: Select **Referral Type:** "IRM", **IRM Category:** "Refund", **Sub-category:** "Disposition and Status Codes" and **Reason:** "Other or Complex Issue/Training Specialization".

Send referral to the Refund Inquiry Unit which controls the case, or to your affiliated Refund Inquiry (RI) unit if there is no current control base. Puerto Rico will use the Brookhaven Campus RI unit as their affiliated RI unit for IMF cases and Cincinnati Campus RI unit for BMF cases.

Note: If the taxpayer meets hardship criteria, refer to IRM 21.1.3.18, Taxpayer Advocate Service (TAS) Guidelines, and IRM 13.1.7.4, Exceptions to Taxpayer Advocate Service Criteria, before referring to TAS.

Reminder: Prior to sending a referral to any Refund Inquiry Unit, probe the taxpayer to determine if they have received a letter with instructions to follow. If the taxpayer has received a letter regarding the refund they are calling about, encourage the taxpayer to follow the direction given in the letter received.

Code	Definition	Actions and Time Frames
01	Regional Finance Center (RFC) has requested the status of	If there is no indication the check was cashed and no action after 28 days from the disposition 01 date , send Form 4442/e-

	check from the Financial Processing Division.	4442, Inquiry Referral, to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function.
04	Claim was previously processed as an available check cancellation. Check was sent but returned as undeliverable or cancelled.	Taxpayer should receive check within six weeks (nine weeks for a foreign address).
07	Unprocessable claim.	If no other action indicated in the Integrated Data Retrieval System (IDRS) Control History section: <ul style="list-style-type: none"> a. Send Form 4442/e-4442 to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function. b. Advise the taxpayer they will be contacted within 30 days.
08	For Direct Deposit Refunds - No response from the Direct Deposit designated financial institution. The subsequent CC CHKCL input generates an FS Form 150.1 to the bank.	<ol style="list-style-type: none"> 1. If it has been more than 30 days from the disposition 08 date and the taxpayer has not received a letter advising of the information found on FS Form 150.1 and TC 841 is not present send Form 4442/e-4442 to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function. 2. If the taxpayer has not received a letter advising of the information found on FS Form 150.1 and a Transaction Code (TC) 841 is posted, advise taxpayer of refund reissue or other disposition of credit.
09	For Direct Deposit Refunds - The RFC contacts the financial institution via FS Form 150.1 to trace the refund. Copies of the results are sent to RFC. RFC will load an electronic copy of the FS Form 150.1 to TCIS. Note: The FS Form 150.1 contains possible Personally Identifiable Information (PII) and cannot be sent to the taxpayer.	<ol style="list-style-type: none"> 1. If no TC 841 is present, and it has been more than 90 days from the disposition 09 date, send Form 4442/e-4442 to the Refund Inquiry campus with the open control. If no open control, send to your local Refund Inquiry function. <p>Note: If the caller states the bank returned their refund to the IRS, check for External Lead indicators IRM 25.25.8-2, External Lead Involvement</p>

		<p>Indicators. If found, follow procedures in IRM 25.25.8.7, Responding to Taxpayer Inquiries. If Refund Inquiry has an open control, send Form 4442/e-4442 to advise of the bank lead involvement and for the control to be closed.</p> <ol style="list-style-type: none"> 2. If it has not been at least 90 days, advise the taxpayer to call back after this time frame has elapsed. 3. If TC 841 is posted, advise taxpayer of refund reissue or other disposition of credit.
11	<p>Check has been cashed. The taxpayer must contact the BFS Check Claims Branch at the toll-free number 855-868-0151 (press option 1, then option 1 again) between the hours of 8:00 a.m. and 4:30 p.m. ET Monday - Friday (English and Spanish speaking assistance is available on the Check Claims toll free number). The TP needs to inquire about the status of the FS Form 1133, after it has been returned to the Bureau of Check Claims.</p>	<p>Provide the taxpayer with the entire check number, including both check symbol (first four digits) and serial number (last eight digits), and refund date, all of which are available on CC IMFOL#.</p> <ul style="list-style-type: none"> • Taxpayer will receive a copy of the cancelled check and FS Form 1133 within 30 days of the disposition "11" date. • If it is 31 days or more from the disposition "11" date and the taxpayer has not received a copy of the cancelled check and FS Form 1133 from BFS, advise taxpayer to contact the BFS Check Claims Branch. • If the taxpayer is in receipt of the FS Form 1133, advise them to complete and return the form to BFS along with a copy of the cancelled check. Allow 90 days for processing. • If the check attached to the FS Form 1133 does not belong to the taxpayer, advise the taxpayer to contact the BFS Check Claims Branch to report the incorrect check received.
27	<p>Check was previously processed as Limited Payability Check Cancellation. Check was issued but was not cashed within one year from the date of</p>	<p>Taxpayer should receive check within six weeks (11 weeks for a foreign address).</p>

	issue. The refund credit (TC 740) was returned by the RFC.	
32	Check cancelled - new check to be issued.	Taxpayer should receive refund within four weeks (nine weeks for a foreign address).
65	Treasury Offset Program (TOP) offset of refund. The initial disposition code indicates the refund was associated with a "TOP offset". Subsequent disposition codes will follow.	Review the taxpayer's account to determine if refund was offset in full. Follow IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset.
71	Full TOP offset.	Follow IRM 21.4.6.5.1, Taxpayer Inquiries on TOP Offset
72	TOP offset - Unavailable Check Cancellation (UCC). This code is passed for non-receipt claims when only the amount of the partial payment issued because of an offset being returned.	The offset is not reversed. Generates a TC 841 and is the equivalent of a "disposition 09" which generates a Document Locator Number (DLN) with Block 88888 . Follow procedures under "disposition 09" Then section (3) above.