MANUAL TRANSMITTAL

25.15.15

Department of the Treasury
Internal Revenue Service

OCTOBER 16, 2020

EFFECTIVE DATE

(10-16-2020)

PURPOSE

(1)   This transmits revised IRM 25.15.15, Relief from Joint and Several Liability, Mirror Modules for Requests for Relief from Joint and Several Liability.

MATERIAL CHANGES

(1)   IRM 25.15.15.1.1(6) - Added new procedure that partially allowed requests require mirroring.

(2)   IRM 25.15.15.4(1) - Added new procedure that partially allowed requests require mirroring.

(3)   IRM 25.15.15.4.1(2) and (3) - Added information that coordination with collection is required for cases involving OIC and Bankruptcy of one or both spouses.

(4)   IRM 25.15.15.7(1) - Added instruction to seek management approval for mirror reversals.

(5)   Editorial changes to update references and increase clarity were made throughout.

EFFECT ON OTHER DOCUMENTS

IRM 25.15.15, Mirror Modules for Requests for Relief from Joint and Several Liability, dated March 13, 2018 is superseded.

AUDIENCE

Cincinnati Centralized Innocent Spouse Operation employees processing requests for relief from joint and several liability.

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Small Business/Self-Employed

25.15.15

Mirror Modules for Requests for Relief from Joint and Several Liability

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25.15.15.1
(03-13-2018)
**Program Scope and
Objectives**

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(1) **Purpose**: This IRM section provides information on the process of mirroring joint account modules, which was established in cycle 4 of 2005. Mirror modules of joint accounts can be created by the Service as a result of determining whether one or both taxpayers are fully or partially liable for liability present on a joint MFT 30 account. This action involves the creation of MFT 31 accounts for both spouses that reflect joint liability originating from the jointly filed tax year.

(2) **Audience**: Cincinnati Centralized Innocent Spouse Operation (CCISO) employees processing requests for relief from joint and several liability.

(3) **Policy Owner**: The Director, Exam - Field and Campus Policy, who is under the Director, Headquarters Examination.

(4) **Program Owner**: Campus Exam and Field Support, which is under the Director, Exam - Field and Campus Policy.

(5) **Program Goals**: To ensure the joint and separate accounts of taxpayers properly reflect joint and individual liabilities as determined by the granting of innocent spouse relief to one or both taxpayers, in full or in part.

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25.15.15.1.1
(10-16-2020)
Background

(1) The purpose of mirroring a joint Master File Tax (MFT) 30 module into two MFT 31 modules, is to reflect each individual's joint tax liability in separate accounts. It is important to remember that each spouse's collection statute expiration date (CSED), refund statute expiration date (RSED) and assessment statute expiration date (ASED) flow from activity on the joint MFT 30 account, and are often different for each spouse. There are events that post on the joint MFT 30 account that can affect one of these statute dates for one spouse but not the other.

(2) Mirror modules can be created by Innocent Spouse, Bankruptcy, Installment Agreements, Offer in Compromise, and Taxpayer Advocate Service. Examination and Appeals may also mirror accounts, but normally create MFT 31 accounts for separate spousal assessments and liabilities without using the mirroring process, since those MFT 31 accounts reflect each taxpayers individual liability. There are times when the joint account does not need to be replicated on the MFT 31 of one or either spouse.

(3) When it is necessary to correct an account problem, make exam adjustments or process joint amended returns on a mirrored account, the appropriate adjustment to one or both MFT 31 accounts must be determined based on the facts and circumstances.

(4) Tax adjustments input after the account is mirrored are not systemically mirrored to the spouse's account, however, adjustments to refundable credits and withholding do mirror. See IRM 25.15.15.5.2, Mirrored Payments and Credits, for a list of credit and payment codes that will mirror.

(5) Information input to MFT 31 is not transmitted to the Social Security Administration (SSA). Do not input item reference numbers to change self employment tax (889), self employment income (878/879) or medicare income (895/896) to MFT 31 accounts. Input the necessary adjustment, without the reference numbers, to the MFT 31 account(s). Changes to self employment tax, self employment income, and medicare income must be input to MFT 30. Input

transaction code (TC) 290 for 0.00, the appropriate item reference numbers, reason codes and hold code to the joint MFT 30 account.

(6) From cycle 4 of 2005 until January 13, 2016, CCISO mirrored joint accounts for every request for innocent spouse relief received for the joint tax years indicated, the only exceptions being account problems that prevented mirroring. Beginning January 13, 2016, CCISO no longer mirrors all accounts upon receipt of a request for innocent spouse relief. Mirroring only occurs upon a determination of full or partial relief per IRM 25.15.18.5.2.11(6), Account Management Services (AMS).

| 25.15.15.1.2
(03-13-2018)
Authority | (1) IRC 6015, Relief from joint and several liability on joint return. |
| | (2) CFR 1.6015, code of Federal Regulations guidance on requests for relief from joint and several liability, and related proposed regulations, 80FR 72649-01 issued November 20, 2015. |

25.15.15.1.3 (03-13-2018) **Responsibilities**	(1) The Director, Exam - Field and Campus Policy (formerly known as the Director, Examination/AUR Policy), reports to the Director, Headquarters Examination, and is responsible for the delivery of policy and guidance that impacts the field and campus examination process. See IRM 1.1.16.3.5.1, Exam/AUR Policy, for additional information.
	(2) Campus Exam and Field Support (formerly known as Campus-Exam Processing and Special Programs Policy), which is under the Director, Exam - Field and Campus Policy, is the group responsible for providing Servicewide policy guidance on compliance processes that relate to campus examination operations, and support Field Exam and Specialty programs in SB/SE. See IRM 1.1.16.3.5.1.5, Campus - Exam Processing and Special Programs Policy, for additional information.
	(3) Employees who work in CCISO are responsible for compliance processes related to requests for innocent spouse relief and mirroring accounts per the guidelines in IRM 25.15.18.5.2.11(6), Account Management Services (AMS).
	(4) Management officials in CCISO oversee employees to ensure mirroring is accomplished when appropriate.
	(5) Employees should be aware that taxpayers have the right to receive assistance from the Taxpayer Advocate Service if they meet certain criteria. See IRM 25.15.1.1.3 for additional information.

| 25.15.15.1.4
(03-13-2018)
Terms | (1) The following is a list of terms used in this IRM section: |

Term	Definition
Audit Information Management System (AIMS)	The database used by examination to track cases from inception to completion through various status codes and other data.

Term	Definition
Determinations	With regard to innocent spouse relief, the Service determines whether to allow relief in full, in part, or deny relief, based on the application of the facts to the law under IRC 6015, Relief from joint and several liability on joint return.
First Read	The employees in CCISO that build incoming requests for relief from joint and several liability into cases.
Full Scope	The employees in CCISO that make the determinations of whether to grant innocent spouse relief in full or in part, or deny relief.
Innocent Spouse Claim or Request for Innocent Spouse Relief	A Form 8857, Request for Innocent Spouse Relief, or similar statement submitted by the taxpayer under penalty of perjury, requesting relief from a joint liability.
Innocent Spouse Tracking System (ISTS)	The database used to track innocent spouse claims from inception to completion using various stages. See IRM 25.15.14, Innocent Spouse Tracking System Inventory Valida-tion Instructions, for more information.
Mirrored Accounts	The joint MFT 30 accounts that are mirrored into MFT 31 accounts of each spouse, repli-cating all MFT 30 transactions into each spouse's MFT 31.
Mirroring Modules	The action of creating the mirrored accounts by input of certain transaction codes into In-tegrated Data Retrieval System (IDRS), as described in this IRM.
MFT 31 Modules	The MFT 31 accounts that are created.

Term	Definition
Module	Synonymous with "account." A unique account for a specific tax year for a specific taxpayer, or taxpayers in the case of a joint account.
Offer in Compromise (OIC)	An offer made by a taxpayer to compromise their outstanding liabilities for a lesser amount, subject to certain conditions. If accepted, the OIC will conclusively settle the taxpayer's debt for the specified tax years, and the taxpayer is unable to contest any liability covered by the OIC.
Processing Team	Employees in CCISO who complete account adjustments after the determination of relief is final.
Purging	A term used by CCISO to mean the movement of cases from one stage to another, after the applicable suspense period.
Separate spousal account	The MFT 31 account of one spouse that reflects their separate (not joint) individual liability. For instance, when their spouse has been granted innocent spouse relief, granted bankruptcy relief, or other conditions which can result in a separate liability, such as restitution assessments.

25.15.15.1.5
(03-13-2018)
Acronyms

(1) The following table lists commonly used acronyms and their definitions used throughout this IRM:

Acronym	Definition
AC	Action Codes - used with certain Transaction Code inputs.
ASED	Assessment Statute Expiration Date - the date after which the Service is prohibited from making additional assessments on a taxpayer's filed return.

Acronym	Definition
CCISO	Cincinnati Centralized Innocent Spouse Operation - campus operation that receives innocent spouse claims, makes innocent spouse relief determinations, and coordinates relief determinations with other areas of the Service.
CSED	Collection Statute Expiration Date - the date after which the Service is prohibited from attempting collection of a particular liability.
IDRS	Integrated Data Retrieval System - the database containing taxpayer account and entity information.
ISO	Innocent Spouse Operation - another reference used for the innocent spouse operation located in the Cincinnati campus.
ISOAR	Innocent Spouse Operation Adjustment Request - the form used by ISO technicians to request needed account adjustments.
MFT	Master File Tax - the part of IDRS that contains tax account information.
NMF	Non-Master File - a database that contains tax account information that cannot be contained on Master File Tax.
NRS	Non-Requesting Spouse - the spouse not making a request for innocent spouse relief.
RS	Requesting Spouse - the spouse making the request for innocent spouse relief.
TC	Transaction Code - codes that are used on taxpayer accounts to indicate certain actions and activities.

25.15.15.1.6
(03-13-2018)
Related Resources

(1)   IRM 25.15.9, Account Processing of Requests for Relief from Joint and Several Liability.

(2)   IRM 25.15.14, Innocent Spouse Tracking System .

(3)   IRM 25.15.18, Innocent Spouse Relief Processing Procedures.

(4)   IRM 25.15.19, Non-Qualifying Claims & Complex Account Issues.

25.15.15.2
(03-13-2018)
Mirroring Process

(1)   Two TC 971 AC 104s are input on the MFT 30 module indicating the triggering event, one with the primary SSN as the cross-reference taxpayer identification number (TIN) and the second with the secondary SSN as the cross-reference TIN

(2)   TC 971 AC 145 input on the MFT 30 account generates a TC 400 on the MFT 30 account and copies all transactions on the MFT 30 account to the two MFT 31 accounts. An M- Freeze, Account Transfer Out Freeze, is generated on all three accounts. Credits are generated to all three accounts, making them appear to be in zero balance.

Caution: Do not erroneously advise the taxpayer that the account is full paid. The balance due will be re-established when the M- freeze is released.

(3)   A TC 370 is systemically generated and posted to both MFT 31 accounts when TC 971 AC 145 posts. The TC 370 establishes the secondary entity, if necessary.

(4)   TC 971 AC 110 with a Julian date of 999 is systemically generated and posts to the MFT 31 accounts. TC 971 AC 110 will cross-reference the account to the spouse's TIN. This TC 971 AC 110 with a Julian date of 999 allows credits to mirror between the accounts.

(5)   TC 972 AC 145 input on all three accounts, MFT 30 and both MFT 31 accounts, causes the following:

- •   Releases M- freeze.
- •   Generates TC 402 which debits each module.
- •   Generates TC 971 AC 132 on MFT 30.

(6)   TC 971 AC 132 generates TC 604 credit to zero balance the MFT 30 account. The TC 604 will have a unique Julian date of 996.

(7)   The entire mirroring process can take 4 - 6 weeks.

(8)   Once the MFT 31 modules have been created, only certain transaction codes will mirror. The following table shows which transaction codes posting to an MFT 31 account will be systemically mirrored using a corresponding credit (TC 766 reference number 337), or debit (TC 767 reference number 337), on the related MFT 31 account. Mirrored transaction codes include: 610, 64X, 66X, 67X, 68X, 69X, 70X, 72X, 73X, 76X, 80X, 82X, where X is the last digit of the transaction code.

Exception: A TC 807 will not mirror.

(9)   A TC 972 AC 110 will stop the mirroring of credits between the accounts.

Caution: Once the mirroring has been reversed on an MFT 31 account it cannot be re-entered to start the mirroring of credits again.

25.15.15.3 (03-13-2018) **First Read**	(1) On January 13, 2016, First Read stopped mirroring accounts. First Read may indicate on the ISTSR Input Record any condition that will prevent the account from being mirrored by Full Scope once a determination is made. See IRM 25.15.18.5.1.3, First Read Screening Procedures, for more information.

(2) There are some situations which prevent mirroring of modules, and other situations where conditions must be resolved prior to mirroring. See IRM 25.15.15.4.1, Exceptions to Mirroring Modules, for more information.

(3) See IRM 25.15.18.5.1, First Read, for a complete description of First Read procedures.

25.15.15.4 (10-16-2020) **Full Scope**	(1) When granting full or partial relief and the module has not been mirrored, use AMS to complete mirror actions.

Caution: Some modules have conditions prohibiting mirroring. See IRM 25.15.15.4.1, Exceptions to Mirroring Modules, for more information.

25.15.15.4.1 (10-16-2020) **Exceptions to Mirroring Modules**	(1) Open AIMS: Do not mirror these modules. See IRM 25.15.18.5.1.5, Audit Information Management System (AIMS), for more information.

(2) Open OIC:

- Modules containing an open TC 480 (-Y freeze) indicate a processable pending OIC and require coordination with the OIC area. See IRM 25.15.7.4.4, Offer In Compromise (OIC), for more information.
- Modules containing an open TC 780 (-Y freeze) require special procedures. See IRM 25.15.7.4.4, Offer in Compromise, for more information. Note in the upper right corner of the ISTSR Input Record "Not mirrored/TC 780."

Note: If the OIC was for the NRS only, it has no bearing on the innocent spouse request for relief. Evaluate the request under normal procedures, and coordinate with OIC if mirroring becomes necessary and document the case file accordingly for all contacts.

(3) Open Bankruptcy: Modules containing an open bankruptcy for the NRS, TC 520 with closing codes 60-67, 81, 83, or 85-89 will not be mirrored. Continue screening. Note in the upper right corner of the ISTSR Input Record "Not mirrored/bankruptcy." See IRM 25.15.18.5.1.8, Open Bankruptcy, Collection Due Process (CDP), or Open Litigation Cases, for more information.

Note: Coordinate with Insolvency if mirroring becomes necessary and document the case file accordingly for all contacts.

(4) There are some situations that prevent mirroring of modules. The modules which can't be mirrored will have to be transferred to the MFT 31 or Non-Master File (NMF) account of the NRS. See IRM 25.15.9.1.19, Form 12810 -

Special Considerations, for more information. The situations preventing mirroring and requiring transfer to MFT 31 or NMF of NRS are:

a.   If the primary or secondary taxpayer has an Internal Revenue Service Number (IRSN), Individual Taxpayer Identification Number (ITIN) or Adoption Taxpayer Identification Number (ATIN).

   Exception: ITINs with the 4th and 5th digits with the following ranges can be mirrored: 70-88, 90-92 and 94-98.

b.   Do not mirror or attempt to validate a TIN if either taxpayer has an invalid TIN because the taxpayer did not update their name with SSA. If the case is fully or partially allowed, send case to the Processing Team when you are ready to close the case. If case is fully or partially allowed, the module will be transferred to NMF. Indicate "Invalid TIN" on non-mirrored ISOAR. If case is disallowed, input TC 290 .00 on MFT 30 modules.

   Caution: There might not be an * behind the TIN indicating that it is invalid. If the name control on IDRS isn't listed in INOLES category IMF name control or SSA name control, it is considered an invalid TIN.

c.   Secondary taxpayer is deceased.
d.   MFT 31 transactions were already generated, for example, TC 971 AC 100, AC 102, AC 103, AC 104, etc. was previously input to generate MFT 31.
e.   Any request for innocent spouse relief with a Criminal Investigation (CI) freeze (-Z/Z-) requires contact with CI to determine if the taxpayers can be contacted. If CI agrees contact with the taxpayers can be made, continue screening but do not mirror the module. Note on Innocent Spouse Tracking System Record (ISTSR) Input Record the module will not be mirrored.
f.   If unable to resolve the credit balance, see IRM 25.15.15.9, Resolving Credit Balance.

(5)   If the MFT 30 account balance is zero, further investigation is needed to determine whether the account should be mirrored. For example, do not mirror if full relief is granted under 6015(c) and the account is full paid by RS refund offset.

25.15.15.4.2
(03-13-2018)
Modules Requiring Additional Actions Prior to Mirroring

(1)   Modules requiring additional actions prior to mirroring are:

a.   Modules with a credit balance. The credit balance must be resolved prior to mirroring the module. See IRM 25.15.15.9, Resolving Credit Balance.
b.   Modules with an unresolved unpostable condition. The unpostable condition must be resolved prior to mirroring the module. IRM 25.15.15.8, Resolving Mirroring Unpostable Transaction Codes.

25.15.15.4.3
(03-13-2018)
Relief Allowed in Full and No Refund Due

(1)   When relief has been allowed in full and there is no refund to be issued, follow the procedures in IRM 25.15.18.5.2.13, Fully Allowed Requests, to prepare the case for further processing and closure.

25.15.15.4.4 (03-13-2018) **Relief Allowed in Full and Refund Due**	(1)	When relief has been allowed in full and there is a refund to be issued, follow the procedures in IRM 25.15.18.5.2.13, Fully Allowed Requests, to prepare the case for further processing and closure.
25.15.15.4.5 (03-13-2018) **Partial Relief Allowed and No Refund Due**	(1)	When relief has been allowed in part but the Full Scope Technician can determine there are enough credits and payments to fully satisfy the RS's liability, the case will be closed in Full Scope.
	(2)	Follow the procedures in IRM 25.15.18.5.2.14, Partially Allowed Relief, to prepare the case for the Processing Team.
25.15.15.4.6 (03-13-2018) **Partial Relief Allowed with Refund or Balance Due**	(1)	When relief has been partially allowed, Full Scope will mirror the account if no mirroring exceptions are applicable. The Processing Team will make adjustments to the RS's MFT 31 module as needed for amounts the RS is no longer responsible for. Full Scope will follow the procedures in IRM 25.15.18.5.2.14, Partially Allowed Relief to prepare the case for the Processing Team.
25.15.15.4.7 (03-13-2018) **Relief Disallowed**	(1)	When relief has been disallowed, Full Scope will close the case by following the procedures in IRM 25.15.18.5.2.15, Relief Disallowed. Do not mirror.
25.15.15.4.8 (03-13-2018) **Manual Mirroring Process**	(1)	If it is necessary to manually input the transactions to mirror the modules (i.e., the primary taxpayer is deceased and the mail filing requirement (MFR) is 08 or AMS is down), the entire mirroring process takes 4 to 6 weeks.
	(2)	Input TC 971 AC 065 with the cross-reference TIN of the RS unless the RS is the primary taxpayer.
	(3)	Input TC 971 AC 104 with the cross-reference TIN for the primary spouse.

Caution: If a TIN is invalid, which means there is an * behind it, you can not create a MFT 31 module.

(4) Input TC 971 AC 104 with the cross-reference TIN for the secondary spouse.

(5) Input TC 971 AC 145 with a posting delay code (PDC) of **1**. This creates the mirror modules for each spouse on MFT 31:

- The TC 971 AC 145 input on the MFT 30 account generates a TC 400 on the MFT 30 account and copies all transactions on the MFT 30 account to the two MFT 31 accounts.
- An M- Freeze, Account Transfer Out Freeze, is generated on all three accounts.
- Credits are generated to all three accounts, making them appear to be in zero balance.

    Caution: Do not erroneously advise the taxpayer that the account is full paid. The balance due will be re-established when the M-freeze is released.

(6) Input TC 131 with a PDC of **4** on the NRS's IDRS command code (CC) ENMOD.

Caution: If the primary taxpayer is deceased and there is a MFR of 08 you will have to wait until the MFT 31 module has been established before posting the TC 131.

(7)   A TC 370 will systemically generate to both MFT 31 mirror modules. The TC 370 on the primary TIN will have a document locator number (DLN) of **NN**251**999950**XX**Y**. The TC 370 on the secondary TIN will have a DLN of **NN**251**999000**XX**Y**. The table below defines what the digits of the DLN mean

TC 370 DLN Identifier	Description
NN - first and second digits	two-digit Campus Code
251 - third, fourth, and fifth digits	identifies a mirror module
999 - sixth, seventh and eighth digits	standard Julian date for mirrored module
950 - ninth, tenth and eleventh digits	standard blocking series of the primary TIN of the mirrored module
000 - ninth, tenth and eleventh digits	standard blocking series of the secondary TIN of the mirrored module
XX - twelfth and thirteenth digits	serial numbers from 00 to 99
Y - fourteenth digit	denotes the last year digit of the current processing year

(8)   The MFT 30 and both MFT 31 modules will have a posted TC 400 at this point. All three modules will be in zero balance. The TC 400s generate an M-freeze code so the modules are restricted from any further action unless a TC 402 is input to reverse the TC 400.

(9)   Input TC 972 AC 145 with a PDC of **3** on the MFT 30 and both MFT 31 modules. Once posted the M- freeze is released, TC 402 is generated to debit each module, and it generates a TC 971 AC 132 on the MFT 30.

Caution: If the primary taxpayer is deceased and there is a MFR of 08 you will have to wait until the MFT 31 module has been established before posting the TC 972 AC 145.

(10)   TC 972 AC 132 generates TC 604 credit to zero balance the MFT 30 account. The TC 604 will have a unique Julian date of 996.

(11)   Input TC 972 AC 065 with a PDC of **4** on the MFT 30 and the NRS's MFT 31 module.

Caution: If the primary taxpayer is deceased and there is a MFR of 08 you will have to wait until the MFT 31 module has been established before posting the TC 972 AC 065.

(12)   Each of these transactions is input separately via the IDRS CC REQ77. Use the claim received date as the transaction date for each transaction.

(13)   A TC 971 AC 110 with a Julian date of 999 is systemically generated in each MFT 31 module with the cross-reference TIN of the other spouse. This causes the two MFT 31 modules to point to each other. Payments posted to one MFT 31 module should be systemically duplicated as a credit on the other MFT 31 module as long as the TC 971 AC 110 transactions are not reversed or there is a designated payment code of 31. The cross-reference payment will be identified by TC 290 of 0.00 and TC 766 $$$ credit reference number (CRN) TC 337. The credit reduces the module balance but is not refundable.

25.15.15.4.9
(03-13-2018)
When Mirroring Transactions Fail to Create Master File Tax (MFT) 31 Modules

(1)   When TC 971 AC 104 for both taxpayers are posted to the MFT 30 module, but mirroring failed and it can't be corrected, you must input a TC 972 AC 104 for both taxpayers back on the MFT 30 module. This leaves an audit trail showing mirroring was attempted but failed and can't be corrected.

(2)   If a case could not be mirrored because it met one of the exceptions for mirroring, but no longer meets that exception and the case is being disallowed, you do not need to mirror it.

(3)   Create the MFT 31 account of the NRS by input of TC 971 AC 103, cross-referencing the NRS's SSN, on the MFT 30, then request transfer of the joint MFT 30 liability to the MFT 31 of the NRS by completing an ISOAR.

25.15.15.4.10
(03-13-2018)
Barred Statute One Signature (BSOS)

(1)   As recently as 2015, deficiency assessments sometimes were made on joint accounts based on one signature on a waiver of assessment form if certain criteria were met. This procedure is no longer allowed. Some of these erroneous assessments against the non-signing spouse cannot be reassessed correctly and must be abated. These cases are referred to as "Barred Statute One Signature (BSOS)". These barred statutes are attributable to a policy decision and not to any employee actions or lack of actions. See IRM 25.15.19.3.1, Assessment Based on One Signature - Barred Statute One signature (BSOS), for more information.

(2)   If an assessment based on one signature is present, the case will be referred to the Technical Team and closed by the Financial Specialist according to IRM 25.15.19.3.1.

25.15.15.5
(03-13-2018)
Processing Team

(1)   The procedures for the Processing Team are in IRM 25.15.9, Account Processing of Requests for Relief from Joint and Several Liability, and cover processing of accounts that are mirrored, and accounts that are not mirrored.

25.15.15.5.1
(03-13-2018)
Partially Allowed Claims

(1)   Processors follow procedures in IRM 25.15.9.3.2.1, Partially Allowed Claims - Mirrored, for processing of partially allowed relief claims on mirrored accounts.

25.15.15.5.2
(03-21-2008)
Mirrored Payments and Credits

(1)   Any payment or credit without a designated payment code of 31 posting to a MFT 31 mirror module with an unreversed TC 971 AC 110 will be systemically cross-referenced to the related mirror module.

(2)   Credits and payments transferred in or out of the module should be credited or debited, as appropriate, on the cross-reference module systemically.

(3) The mirrored credit or debit should post systemically to the cross-reference spouse's MFT 31 mirror module as an adjustment. See below for an example of how this works.

- Credit - TC 290 .00, TC 766 $XXX.00 CRN 337
- Debit - TC 290. 00, TC 767 $XXX.00, CRN 337
- The transaction date will match the payment date on the cross-reference MFT 31 module.

Example: John and Mary Newcomb filed a joint 2008 balance due tax return. Mary filed an innocent spouse claim on 3-24-2011. The claim is qualifying and the transaction codes to mirror the module were input.
Before the TC 971 AC 065 and the mirroring transaction codes can post, Mary's $1,000 refund from her 2010 return claiming single, head of household or married filing separate is offset to the joint 2008 module on 3-28-2011. This payment is mirrored to both MFT 31 modules along with the rest of the MFT 30 transactions.
Mary's MFT 31 module shows a TC 706 credit dated 03282011 for $1,000.
John's MFT 31 module shows a TC 706 credit dated 03282011 for $1,000.
The Processing Examiner will reverse Mary's TC 706 credit with a TC 701 on the MFT 31 module and post it back to Mary's MFT 30, 200812 module as a TC 821 refund.
When Mary's MFT 31 credit transfer posts, John's MFT 31 module will post a TC 290 .00, TC 767 $1,000 CRN 337 (debit).

Note: If a systemic debit or credit does not post to either MFT 31 then a manual adjustment may be required.

(4) Payments posting to one MFT 31 module will not mirror to the cross-reference MFT 31 module for one cycle. TC 706 takes two cycles to mirror to the cross-reference MFT 31 module.

Note: TC 806 should systemically mirror, a TC 807 will not systemically mirror.

(5) The TC 971 AC 110 should remain on both taxpayers' MFT 31 mirror modules until one of the modules reach zero or credit balance. Once either of the modules reach zero balance, both TC 971 AC 110 transactions should be reversed using TC 972 AC 110 and the appropriate cross-reference TIN.

25.15.15.5.3
(03-13-2018)
Manual Refund of Transaction Code (TC) 670 Payments

(1) This information now resides in IRM 25.15.9.5.6.1, Manual Refund of Transaction Code (TC) 670 Payments.

25.15.15.5.4
(03-13-2018)
Closing a Fully Allowed Claim After Issuing a Refund

(1) On a fully allowed claim where a TC 971 AC 131 will be input after the credit transfer, complete the credit transfer and debit the cross-reference MFT 31 at the same time. Reverse the TC 971 AC 110 on both taxpayers' MFT 31 accounts to stop any further mirroring. Close the case following the steps in IRM 25.15.9.3.1.1, Mirrored - Stages 12-30.

25.15.15.6 (03-13-2018) **Forgery or Duress**	(1) When it has been determined that the RS is not liable because he/she did not sign the joint return and there was no tacit consent, or it was signed under duress, the claim is referred to the Technical Team, and the Financial Specialist will follow the procedures in IRM 25.15.19.3.3, Joint returns - Invalidated, to process the claim.

25.15.15.7
(10-16-2020)
Reversing a Mirrored Module

(1) Verify that the module should be reversed and seek management approval. It is very rare for a mirrored account to be reversed; fully document the reasons for reversal and management approval. This is a manual process. To reverse a mirrored module you must input the transactions on MFT 30 and wait until all transactions post before inputting transactions to MFT 31.

Caution: Do not reverse mirroring to fix an unpostable. See IRM 25.15.15.8 Resolving Mirroring Unpostable Transaction Codes, for more information.

(2) On the MFT 30 module input:

1. TC 972 AC 104 with the XREF TIN of the primary taxpayer.
2. TC 972 AC 104 with the XREF TIN of the secondary taxpayer.
3. TC 972 AC 132 (the date of the TC 972 AC 132 should be the same as the original TC 971 AC 132) using a PDC of 1 cycle. This will generate a TC 605 (debit). This reopens the module balance on MFT 30.

(3) After verifying all required transactions listed in paragraph (2) above posted to the MFT 30 module, input the following transactions on the primary MFT 31 module:,

1. TC 972 AC 104 with a cross-reference to the secondary TIN.
2. TC 971 AC 065 (if there is no L- freeze). This is required before the next transaction listed below will post.
3. TC 971 AC 131. This will adjust the MFT 31 modules to zero.
4. TC 972 AC 065.

(4) After verifying all required transactions listed in paragraph (2) above posted to the MFT 30 module, input the following transactions on the secondary MFT 31 module:

1. TC 972 AC 104 with a cross-reference to the primary TIN.
2. TC 971 AC 065 (if there is no L- freeze). This is required before the next transaction listed below will post.
3. TC 971 AC 131. This will adjust the MFT 31 modules to zero.
4. TC 972 AC 065.

25.15.15.8
(07-30-2014)
Resolving Mirroring Unpostable Transaction Codes

(1) If the mirroring process should be stopped (tried to mirror a module that will not mirror because it is an exception to mirroring, etc.), close the mirroring monitor control base and update the case file. Prepare Form 3465, Adjustment Request, if the module needs to be set-up on NMF because it can't be set up on MFT 31.

Note: Reverse any TC 971 AC 104 with a TC 972 AC 104 when the mirroring process will not be completed.

(2)   To determine which transaction code went unpostable, match the DLN on the listing with the IDRS CC TXMOD.

(3)   If the unpostable transaction code occurred in another campus, you need to input @ with the campus code on IDRS CC UPTIN.

(4)   To determine the cycle the transaction code went unpostable, look up IDRS CC UPTIN, there is a sequence number of the unpostable transaction code under the taxpayer's TIN. The first six numbers identifies the cycle the TC went unpostable.

Example: 201232002672 means the transaction code went unpostable in cycle 201232. The posting cycle next to the Deleted Unpostable (DU) on IDRS CC TXMOD is the cycle it came back to TXMOD, not the actual cycle it went unpostable. If the TC 400 posted in cycle 201232 and the TC 971 AC 145 shows a sequence number on IDRS CC UPTIN of 201232, you know the PDC was not input. Re-input the TC 971 AC 145, but you no longer need a PDC.

(5)   If you have an unpostable transaction code, verify that the CSED is still open. You cannot correct an unpostable TC if the CSED has expired. A TC 608 will be posted when the CSED expires.

(6)   Verify all mirror transactions codes have posted correctly, not just the un-postable transactions. Start at the TC 971 AC 065 and work down the IDRS CC TXMOD to ensure all prior required transaction codes have posted.

Note: If a TC 402 will not post, you cannot move module to NMF, you will have to reverse the mirrored module, see IRM 25.15.15.7, Reversing a Mirrored Module.

(7)   If the L- freeze was released in error, it needs to post back to the module until the balance due is gone.

(8)   Do not re-input transactions unless you know why they went unpostable.

(9)   Note the correction and reason for the unpostable on your weekly unpostable listing.

25.15.15.8.1
(03-13-2018)
**Common Mirroring
Unpostable Transaction
Codes**

(1)   Listed below are the most common mirroring transaction codes that go un-postable, and procedures on how to correct them.

(2)   **TC 971 AC 104**

1.   Check for exceptions to mirroring, -L, -V, -W, -Z or Z- freezes on the IDRS CC TXMOD, and previous TC 971 AC 10X prior to 2005, etc.
2.   Check IDRS CC IMFOLT and look at the name line and secondary spouse's TIN, follow procedures on exceptions to mirroring if invalid secondary TIN. If secondary spouse's TIN is missing, input TIN on IDRS CC ENREQ and wait to see if it is valid before mirroring. Look for errors with the name line, e.g., spacing. Correct the name line prior to mirroring.

(3)   **TC 971 AC 065, TC 972 AC 065, TC 971 AC 110, TC 972 AC 110, TC 971 AC 145, and TC 972 AC 145:**

      a.   Ensure both TC 971 AC 104s have posted.

          Reminder: A TC 971 AC 104 must be posted for the primary and secondary taxpayer.

      b.   Look at posting cycle of TC 402 and compare with your transaction code. You may need to update IDRS CC UPTIN for the cycle the transaction unposted.

      c.   Look for possible invalid secondary TIN that was validated. This can be identified by SSA name controls not matching the current name control on IDRS CC INOLES. Nothing will post after a TC 400, if invalid. Stop trying to mirror. Confer with your lead for resolution.

(4)   **TC 971 AC 131** will not post if there is no balance due or if there is no TC 971 AC 065 posted. It may be necessary to re-input TC 971 AC 065, then input TC 971 AC 131 with a PDC of 1 and a TC 972 AC 065 with a PDC of 2.

(5)   **TC 972 AC 065** may have already posted. If there is no open L- freeze on the account, the TC 972 AC 065 will not post. Ensure there is no data input error and the XREF TIN is correct.

(6)   See the table below for common unpostable codes for mirroring, the explanation and the resolution:

Unpostable Code	Explanation	Resolution
151 159-0	Secondary taxpayer is deceased or has an invalid TIN	Check IDRS CC INOLES for SSA name controls under the secondary taxpayer, if the TIN does not have an "*", but the name control is valid per SSA, it was manually validated. The account will mirror but nothing will post after the TC 400.
168	Name Mismatch	TIN on TC 972 AC 065 must be corrected to match the TC 971 AC 065 you are trying to reverse.
171-2	TC 971 AC 131 attempting to post to a module without an L- freeze	Input TC 971 AC 065, TC 971 AC 131 with a PDC of 1, and TC 972 AC 065 with a PDC of 2.
186-0	Post delay problem	Need to look at the cycles on IDRS CC UPTIN to ensure the transaction codes posted in order.
189-5	Item doesn't exist, e.g., TC 971 AC 131 trying to post when there is no balance due	Verify there is no balance due by checking IDRS CC INTST.
197-5	TC 400 or TC 971 AC 145 tried to post to a module with a credit balance	Resolve credit balance.

    Note: Determine if the transactions should be re-input. If the case is progressed enough, it may not be necessary to mirror the modules. Check IDRS CC ISTSR. Close the mirroring monitor control base and update the case file.

Note: If we are granting full relief and the MFT 31 module for the NRS was established, the account module will not mirror.

Note: When an account should not have been mirrored because it met an exception for mirroring, but it no longer meets the exception for mirroring when Full Scope has determined to allow the claim in full or in part, mirror the account.

25.15.15.9
(03-13-2018)
Resolving Credit Balance

(1)   Determine if the taxpayer is making regular payments or a very large payment and the account is now full paid.

(2)   If the module is full paid, look for another balance due. Transfer the credit to the oldest remaining balance due. Only transfer the money as long as the payment is less than the balance due.

(3)   If IDRS CC INTST shows the module is not full paid, prepare an ISOAR to request that the accruals be forced to post to the module.

(4)   If the payment on MFT 30 was intended for that tax year but the balance due is on MFT 31, transfer the payment to the MFT 31 module.

Note: When transferring payments or overpayments as a result of an adjustment, the RSED must be taken into consideration. If the RSED has expired the money cannot be transferred to another module. Move the money to Excess Collection. See IRM 25.6.1.7.3.1, Transferring Credit to XSF, for instructions.