

IRM PROCEDURAL UPDATE

DATE: 06/30/2025

NUMBER: ts-03-0625-3445

SUBJECT: Various BMF Entity Updates

AFFECTED IRM(s)/SUBSECTION(s): 3.13.2

CHANGE(s):

IRM 3.13.2.2(2) (h) - Added IAT Name Search tool as an option for verifying EINs.

(2) The following are basic procedures for all cases processed in Submission Processing BMF Entity:

- a. Batch all documents with appropriate control form/batch sheet. BMF Entity uses Entity Batch/Block Tracking System (BBTS).
- b. All incoming documents/correspondence will be stamped with an IRS/Entity received date stamp. Since the implementation of Enterprise Electronic Fax (EEFax), it is not necessary to manually stamp incoming fax documents as the EEFax received date cannot be altered and will be considered for timeliness. The dates stamped by other fax machines, or a Fax Transmission Verification Report **will not be used** for determining timeliness.

Exception: Form 2553, if the original submission is by fax, is an exception to this direction. Please see IRM 3.13.2.23.3 (2).

- c. It is not necessary for Entity clerical staff to date stamp returns (documents that post as a TC 150) as RCO will have already date stamped.
- d. A taxpayer could respond to an IRS inquiry via facsimile/fax. The following documents processed by BMF Entity are acceptable via fax: **Form 2553**, *Election by a Small Business Corporation*, **Form 8869**, *Qualified Subchapter S Subsidiary Election*, and **Form SS-4**, *Application for Employer Identification Number*.
- e. Perfect the following entity issue(s) for processing:
 - Correct and underline the name control
 - Correct the name (as needed, research the Secretary of State websites via the internet. See Exhibit 3.13.2-8, Secretary of State Websites).
 - EIN
 - Address

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- Fiscal Year Month (FYM) or tax period
- Filing Requirements Codes (FRCs)
- XREF-TIN-ITIN, etc. if needed
- Annotate your actions in the lower left corner of the document.

All documents touched by Entity will bear the TE's IDRS number, date upon completion, and all actions taken. It is not necessary for Entity to correct existing address abbreviation errors on the Entity module unless accessing the EIN for other Entity corrections. When correcting any field on a document, BMF Entity TEs will circle out the "bad information" and enter the correct information as close as possible.

Note: Never use other correction items, such as white-out.

- f. Documents that will be destroyed in the control team (correspondence, etc.) require a complete audit trail: TE IDRS number, EIN (if not on document), all TCs input, letter sent (if applicable) and date. Place a large blue (or orange or purple) "X" on the document that will be destroyed and return it to your pack of documents. The control team will destroy the document upon their breaking down of the employee folders.

Reminder: The name control must be underlined on every document going to the Files Operation.

- g. When processing returns, it is not necessary to address minor name differences (for example, INC versus INCORPORATED or Co. versus Company) unless the name control is affected. Do not perfect the primary name line to include the word "The" at the beginning of the name unless the taxpayer specifically requests it.
- h. **Every** document received in BMF Entity will be researched to ensure there is only one EIN (or SSN on some documents) assigned to the taxpayer. CCs NAMES/ NAMEE and/or NAMEI/NAMEB, or the IAT Name Search tool, will be used to verify the EIN/SSN is correct and no other TIN exists for the taxpayer.
- i. If a taxpayer submits an original document (birth certificate, marriage license, passport, etc.) with their correspondence or document, prepare a Form 14219, Return of Documentation to the taxpayer, and return the item to the taxpayer.

Exception: Do **NOT** detach and/or return a death certificate.

- j. If the submitter includes a copy of the document and a Self-Addressed Stamped Envelope (SASE), return the acknowledgement request back to the originator or requester. If a SASE is not enclosed, **do not** return an acknowledgement copy to the originator.
- k. If a taxpayer submits a BMF Entity form with a Form 8821, that authorizes disclosure to a designee, or Form 2848, that authorizes the taxpayer's representative to act on behalf of the taxpayer with respect to different types

of tax returns (for example, Form 1120, Form 1065, etc.), photocopy the Form 8821 or Form 2848, write **COPY** in the center of the photocopy and forward the original 8821/2848 to the Centralized Authorization File (CAF) Team. The photocopy of Form 8821/2848 must remain attached to the Entity form. Also, if indicated on Line 2 of Form 8821 or Form 2848, the designee or POA will receive a copy of any correspondence that is part of the case resolution, if included in the scope of the authorization. You achieve this by using the MFT and tax period in CC LPAGE, and by entering **Y** in the **CAF>** field of CC LPAGE.

- I. At times it is necessary to use Form 3210, Document Transmittal, to transmit documents. Please refer to Document 12990, IRS Records Control Schedules (RCS) 29, Item 91 for the National Archives and Records Administration (NARA) approved Form 3210, Document Transmittal, retention and disposition requirement.

IRM 3.13.2.2(4) - Removed SP HQ Analyst name.

(4) If correspondence is received referencing permission is needed from the Commissioner, route to Submission Processing Headquarters BMF Entity Analyst.

IRM 3.13.2.2(19) - Include instruction to review ALL MeF returns received from ERS for Entity related documents (Form 2553, Form 8832, etc.) and process them as required.

(19) To view tax returns electronically filed on Modernized e-file (MeF), users must first request access to the Employee User Portal (EUP). Entity TE's should review **ALL** MeF returns received from ERS for Entity related documents (Form 2553, Form 8832, etc.) and process them as required.

IRM 3.13.2.2(24) - Added 39 to the list of Mod IEIN prefixes.

(24) Trust and Partnership EINs beginning with prefixes 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 and 99 will reflect the first four characters of the primary name as the name control. Entity TEs will not alter the name control of these EINs because employees in the pipeline understand the different name control procedures for Mod IEIN. Other EIN prefixes will be name controlled by the historical method: the first four characters of the first last name if the entity is owned by individuals, Corporate trusts are name controlled as corporations. For example, do not change the name control of an EIN beginning with 27 because it does not match historical Submission Processing name control procedures. However, if you identify an EIN with prefixes 20, 26, or 27 that has previously been changed to match SP

historical procedures, input TC 013 to make the name control match the procedures for these prefixes.

IRM 3.13.2.2(30) - Corrected phone number for Entity Clerical Lead.

(30) Cases involving EO or EP taxpayers will only be processed at Ogden Submission Processing Center. An entity in status 01 or any status other than shown in (29), is considered EO and must be transshipped to Ogden Entity. EP cases involve MFTs 74 (Form 5500 series) and 76 (Form 5330) and will also be transshipped to Ogden Entity.

Exception: EO & EP CPs 148A and 148B and EO & EP Forms 8822-B will be processed within the campus where they are received and will not be transshipped to Ogden.

Any correspondence or inquiry related to an International, Employee Plan (MFT 74 or 76) or Exempt Organization issue will be processed in Ogden Entity. Coordinate transshipment with the Entity Clerical Team Lead, at # [REDACTED] # . Phone number is for internal use only. Transshipment will occur weekly.

IRM 3.13.2.2(35) - Removed SP HQ Analyst name.

(35) If you are contacted by a Revenue Agent (RA) or another area of IRS and asked to request documents from Files Operation (CC ESTAB) to assist them with their examination/case, inform them they need to contact their Planning and Special Projects (PSP) contact or Audit Information Management System (AIMS) contact. **Do not** ESTAB documents for any area other than Entity.

Exception: Headquarters' staff will be instructed to route their request through the SP HQ BMF Entity IRM analyst who will ask the campus to input the IDRS request.

IRM 3.13.2.3.2(10) - Added 39 to the list of Mod IEIN prefixes.

(10) Partnership EINs that begin with prefixes 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 or 99 will have the first four characters of the Primary Name as the name control. For example, the partnership name "John Willow and James Oak Partnership" will have a name control John.

IRM 3.13.2.3.4 (3) & (4) - Added 39 to the list of Mod IEIN prefixes.

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(3) Trust EINs that begin with prefixes 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 and 99 will have the first four characters of the Primary Name as the name control.

For example, the trust name "John Willow TR fbo James Oak" will have a name control John.

(4) The name control of a trust with a prefix **other than** 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 or 99 will be derived by the following selection:

- a. The first four characters of an individual's last name.
Name: Michael T. Bunting Revocable Trust
Name Control: MICHAEL T]BUNTING]RVOC TR
- b. For corporate taxpayers, use the first four characters of the corporate name.
Name: Eagle Company Employee Benefit Trust
Name Control: EAGLE COMPANY EMPLOYEE BENEFIT TR

IRM 3.13.2.3.6(21) Note - Corrected verbiage to comply with January 2025 Executive Order and OPM Guidance.

(21) PREFIX on Sole Proprietor Individual.

- a. Delete prefixes from true names or surnames. Examples of prefixes to be deleted are Mr., Rev., Dr., Capt., Hon., Gov., Miss, Mrs.

Note: Do not delete "Mrs." when shown with the full name of the husband, (for example, Mrs. Richard Green) or a name of indeterminate sex (for example, Mrs. Kelly Blue).

- b. Delete prefixes from the Sort Name. Examples of prefixes to be deleted are: DBA, TA, AKA, etc.

IRM 3.13.2.4.8(10) - Corrected link.

(10) Processed Forms 8822-B will be stored in the Files Operation in an "Alpha File." Ensure each document has been name controlled and contains an audit trail in the lower left margin of the document.

Exception: Forms 8822-B filed via MeF for Responsible Party changes are not required to be sent to Files. See IRM 3.13.2.4.8.2(10).

IRM 3.13.2.4.8.2(3) Caution - Updated to include instruction that articles of organization showing new owner are acceptable.

(3) Beginning May 13, 2019, the Responsible Party listed on the Form 8822-B can no longer be an individual or entity with an EIN. If Form 8822-B is received listing an individual or entity with an EIN as the new RP, return the document to the taxpayer with the following language: A **responsible party** is the person who owns or controls the entity, who exercises ultimate effective control over, or entitlement to, the funds or assets in the entity that, as a practical matter, enables the person, directly or indirectly, to control, manage, or direct the entity and the disposition of its funds and assets. **Unless the applicant is a government entity, the responsible party must be an individual (a natural person) with an SSN or ITIN, not an entity.**

Exception: # [REDACTED]

Caution: For SMLLC changes, the Form 8822-B must be signed by the single member listed on IDRS. If signed by the new Responsible Party, reject to taxpayer for corrected signature. Articles of organization showing the new owner are acceptable to validate the new responsible party.

Note: The Responsible Party must not be changed on a Sole Proprietor account. If a Sole Proprietorship has an existing EIN, a new EIN is required for the new Responsible Party.

EXAMPLE: If an existing Sole Proprietor business is inherited, a new EIN must be assigned to the business once it has a new owner.

IRM 3.13.2.4.8.2(8) (A) - Clarified tax-exempt identification.

(8) Process the change of responsible party section of Form 8822-B as follows utilizing thorough research of IDRS:

If...	And...	Then...
A) T/P is EO (verified by the Business Operating Division (BOD) code TE on INOLE) or a church, Note: Checking the box at the top of the form indicating they are tax-exempt, is not a clear		Send to OSPC for EO processing. See IRM 3.13.2.2(29), BMF Entity - General.

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indication of EO or tax-exempt.		
B) T/P is an Estate, and an SSN is being provided as "new" and it does not belong to the decedent,	The decedent's SSN is on the Estate EIN as XREF,	Take no further action.
C) T/P is an Estate, and an SSN is being provided as "new" and it does not belong to the decedent,	The decedent's SSN is not on the Estate EIN,	Research IDRS to locate decedent's SSN. Update Estate EIN with decedent's SSN and XREF-TIN-ITIN-IND to "0" (zero).
D) T/P is a Grantor Trust, and an SSN is being provided as "new" and it does not belong to the grantor,	The grantor's SSN is already on the Trust EIN,	Take no further action.
E) T/P is a Grantor Trust, and an SSN is being provided as "new" and it does not belong to the grantor,	The grantor's SSN is not on the Trust EIN,	Research IDRS to locate grantor's TIN. Update Trust EIN with grantor's SSN and XREF-TIN-ITIN-IND to "0" (zero).
F) There is a Care Of Name on Master File,	The Care Of Name on Master File does not match the new Responsible Party,	Take no action unless the new third party has indicated such on Form 8822-B.
G) There is a Care Of Name on Master File,	The Care of Name on Master File matches the previous Responsible Party,	Enter the name of the new Responsible Party in the Care Of Name field.

IRM 3.13.2.4.9(7) (D & E) - Removed SP HQ Analyst name and changed to P & A Entity analyst.

(7) BMF Entity will process the taxpayer responses as shown below:

If...	And...	Then...
A) Taxpayer returns one or both notices,	Agrees with the change and makes no other requests,	Take no further action. Prepare for destruction as classified waste per local procedures.
B) Taxpayer returns one or both notices,	Does not agree with the change,	Update address as indicated by taxpayer. Ensure Remarks field of CC BNCHG contains the name and title (and phone number if available) of the submitter. A new set of CPs 148 will generate.
C) Taxpayer returns one or both notices,	Asks the source of address change,	Research CCs ENMOD, BMFOL'E', BMFOL'I' and BMFOL'T' to determine the origin of the address change. Send Letter 104C

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		appropriately explaining the source of the change.
D) Taxpayer returns one or both notices,	Disagrees with address change and alleges it was triggered by fraud, ID Theft, or other nefarious motives,	Use CCs ENMOD, BMFOL 'E', 'I', and 'T' and CC TRDBV to research EIN for source of address change. The Employee User Portal (EUP) must also be researched if the return was filed electronically. If address change was triggered by fraud, ID Theft, or other nefarious motives, scan case and e-mail to SP P & A Entity analyst for review. Send interim letter to taxpayer.
E) Unauthorized third party returns one or both notices,	Requests invalid address change,	Take no action, scan case and e-mail to SP P & A Entity analyst. Courtesy copy(cc) your manager.

Note: Responses to Spanish versions of these notices, CP 848A and CP 848B, are to be handled in the same manner as CP 148A and CP 148B.

IRM 3.13.2.7.2(5) - Added 39 to the list of Mod IEIN prefixes.

(5) The IRS no longer requires specific District Office codes to be used as the prefix for EINs assigned. When assigning an EIN, the Business Master File (BMF) sites will use (have used) the following prefixes:

Campus	EIN Prefixes
Andover	10, 12
Atlanta	60, 67
Austin	50, 53
Brookhaven	01, 02, 03, 04, 05, 06, 11 13, 14, 16,21,22, 23, 25, 34, 51, 52, 54, 55, 56, 57, 58, 59, 65
Cincinnati	30, 32, 35, 36, 37, 38, 61
Fresno	15, 24
Kansas City	40, 44
Memphis	94, 95
Ogden	80, 90
Philadelphia	33, 39, 41, 42, 43, 48, 62, 63, 64, 66*, 68, 71, 72, 73, 74, 75, 76, 77, 82, 83, 84, 85, 86, 87, 88, 91, 92, 93, 98, 99 Note: * Reserved for taxpayers located in Puerto Rico, Guam, Virgin Islands, American Samoa, Northern Mariana Islands and Palau.
Modernized Internet EIN (ModIEIN)	20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93, 99

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	Note: The Filing Location Code (FLC) for TC 000 on EINs assigned via Mod IEIN is always 28.
Small Business Administration (SBA)	31

- Long before the creation of Mod IEIN, Philadelphia used prefixes 26, 27 and 81 but have stopped.
- International EINs will begin with prefix 98.
- Invalid EIN Prefixes are 00, 07, 08, 09, 17, 18, 19, 28, 29, 49, 69, 70, 78, 79, 89, 96 and 97. See IRM 21.7.13.2.4.1, EIN Prefixes No Longer Available for Assignment. EINs with one of these prefixes must never be put back on Master File with a TC 000. If you find an EIN on Master File with one of these prefixes, assign a new EIN and consolidate the invalid prefix to the new EIN.

IRM 3.13.2.7.2(5) - Removed 33 from the list of invalid EIN prefixes.

(5) The IRS no longer requires specific District Office codes to be used as the prefix for EINs assigned. When assigning an EIN, the Business Master File (BMF) sites will use (have used) the following prefixes:

Campus	EIN Prefixes
Andover	10, 12
Atlanta	60, 67
Austin	50, 53
Brookhaven	01, 02, 03, 04, 05, 06, 11 13, 14, 16,21,22, 23, 25, 34, 51, 52, 54, 55, 56, 57, 58, 59, 65
Cincinnati	30, 32, 35, 36, 37, 38, 61
Fresno	15, 24
Kansas City	40, 44
Memphis	94, 95
Ogden	80, 90
Philadelphia	33, 39, 41, 42, 43, 48, 62, 63, 64, 66*, 68, 71, 72, 73, 74, 75, 76, 77, 82, 83, 84, 85, 86, 87, 88, 91, 92, 93, 98, 99 Note: * Reserved for taxpayers located in Puerto Rico, Guam, Virgin Islands, American Samoa, Northern Mariana Islands and Palau.
Modernized Internet EIN (ModIEIN)	20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93, 99 Note: The Filing Location Code (FLC) for TC 000 on EINs assigned via Mod IEIN is always 28.
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- Long before the creation of Mod IEIN, Philadelphia used prefixes 26, 27 and 81 but have stopped.
- International EINs will begin with prefix 98.
- Invalid EIN Prefixes are 00, 07, 08, 09, 17, 18, 19, 28, 29, 49, 69, 70, 78, 79, 89, 96 and 97. See IRM 21.7.13.2.4.1, EIN Prefixes No Longer Available for Assignment. EINs with one of these prefixes must never be put back on Master File with a TC 000. If you find an EIN on Master File with one of these prefixes, assign a new EIN and consolidate the invalid prefix to the new EIN.

IRM 3.13.2.7.2.1 - Added new section on CC DDBMFI, Unable to Assign.

- (1) # [REDACTED] #
- (2) # [REDACTED] #
- (3) # [REDACTED] #
- (4) # [REDACTED] #
1. # [REDACTED] #
 2. # [REDACTED] #
 3. # [REDACTED] #

IRM 3.13.2.7.3.2(24) - Added see also tag in Note to IRM 3.13.2.13, Identity Theft.

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(24) **Transaction Code 012:** This transaction code reopens an inactive account where a consolidation has been attempted but failed (because of duplicate modules, invalid FRCs, etc.) or a TC 020 failed because modules exist. Filing requirements of such accounts are all "8."

The transaction will not post to the account unless all filing requirements are changed to either a significant code or zero.

Note: Do not re-open an EIN if the words "**ID THEFT**" or "**POTENTIAL FAB EIN**" are on one of the name lines or a TC 971 AC 524 is present on the account. Please notify Submission Processing Headquarter Analyst via P & A when the account has **ID THEFT** or **POTENTIAL FAB EIN** in the name lines for resolution. See IRM 3.13.2.13, Identity Theft.

Caution: The Detroit Computing Center (DCC) was assigned an EIN # [REDACTED] # for the sole purpose of providing the "Payer" EIN on Form 1099-INT statements issued by IRS to taxpayers who have received interest on their federal refunds. The Detroit Computing Center is not a "true" taxpayer account entity. Do not input a TC 012 or post payments or returns to this account. See IRM 3.8.45.8.31(2), Information Return (IRP), for additional information.

BNCHG 00-1788312		NM-CTRL>ALDE	
DOC-CD>63	BLK-SERIES>	TC>012	SEQ-NUM>
CASE-ASSN-NUM>	CLC>	DT-WG-L-PD>	PSTNG-DLAY-CD>
NEW-NAME-CTRL>	PRIMARY-NAME>	DT-BUS-CLD>	<
CONTINUATION-OF-PRIMARY-NAME>]			<
SORT-NAME>			<
CARE-OF-NAME>			<
FOREIGN-STREET>			<
MAIL-STREET-OR-FOREIGN-CITY/ZIP>			<
MAIL-CITY/STATE/ZIP-OR-FOREIGN-COUNTRY>			<
LOCATION-STREET-ADDRESS>			<
LOCATION-CITY/STATE/ZIP>			<
XREF-TIN-ITIN-IND>	XREF-TIN-ITIN>	FORM-56-CHG-IND>	EFF-DT>
FYM>12	EMPLMNT-CD>	RRB-NUM>	EDI>
NM-YR/QTR>	NEW-SSN>	- -	MFT>
SPOUSES-SSN>	- -	SOLE-PRP-SSN>	- -
PMF-IND>	TRANS-REG-IND>	F8123-CD>	F637-IND>
WP-DT>	BOD-DT>	OIC-YR>	527-IND>
FILING-REQ>	941>0	940>0	3520>0
	943>0	945>0	1120>01
	1065>0	8804>0	944>0
	1041>0	CT-1>0	720>0
	730>0	11-C>0	1066>0
	2290>0	1042>0	5227>0
	3520A>0	4720>0	990>0
	990PF>0	990T>0	706GS(T)>0
	706GS(D)>0	8752>0	NOT-REQUIRED>0
944-BYP>	45R-YR1>	45R-YR2>	ALE>
REMARKS>	REOPEN PER TAXPAYER REQUEST		

Figure 3.13.2-7 CC BNCHG - TC 012

IRM 3.13.2.7.3.2(28) - Corrected information and added see also tag to IRM 3.13.2.13, Identity Theft, for TC 020 being used for ID Theft or Fraud.

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(28) **Transaction Code 020: (This Transaction Requires Management/Lead Approval)** This input transaction code deletes an account from Master File if no modules are present which contain return or credit transactions. This TC is also used on EINs resulting from ID Theft or Fraud. When this is the case, the words **ID THEFT** or **POTENTIAL FAB EIN** will be entered on the Sort Name Line. See IRM 3.13.2.13, Identity Theft. This TC is restricted to BMF Entity TEs. See Figure 3.13.2-11.

Note: Accounts with modules present will remain on the BMF but all the filing requirements will be changed to "8" to indicate that the account is in inactive status.

BNCHG 00-0201651 NM-CTRL>TUPE

DOC-CD>63 BLK-SERIES> TC>020 SEQ-NUM> PSTNG-DLAY-CD>

CASE-ASSN-NUM> CLC> DT-WG-L-PD> DT-BUS-CLD>

NEW-NAME-CTRL> PRIMARY-NAME>

CONTINUATION-OF-PRIMARY-NAME>]

SORT-NAME>

CARE-OF-NAME>

FOREIGN-STREET>

MAIL-STREET-OR-FOREIGN-CITY/ZIP>

MAIL-CITY/STATE/ZIP-OR-FOREIGN-COUNTRY>

LOCATION-STREET-ADDRESS>

LOCATION-CITY/STATE/ZIP>

XREF-TIN-ITIN-IND> XREF-TIN-ITIN> FORM-56-CHG-IND> EFF-DT>

FYM> EMPLMNT-CD> RRB-NUM> EDI> PARA-SEL-CD> SM-FSC> FCOI>

NM-YR/QTR> NEW-SSN> - - MFT> DT-OF-DEATH> SFSC-CTY-CD>

SPOUSES-SSN> - - SOLE-PRP-SSN> - - NEW-EIN> - TOE>

PMF-IND> TRANS-REG-IND> F8123-CD> F637-IND> LARGE-CORP-CD> CEP> FOE>

WP-DT> BOD-DT> OIC-YR> 527-IND> F944-YR/IND> / LLC-CD>

FILING-REQ: 941> 940> 3520> 943> 945> 1120> 1065> 8804> 944>

1041> CT-1> 720> 730> 11-C> 1066> 2290> 1042> 5227> 3520A> 4720>

990> 990PF> 990T> 706GS(T)> 706GS(D)> 8752> NOT-REQUIRED>

944-BYP> 45R-YR1> 45R-YR2> ALE> EIN-EST-DT>

REMARKS>REMOVE ACCOUNT FROM MASTERFILE

Figure 3.13.2-11 CC BNCHG - TC 020

IRM 3.13.2.8(3) - Added 39 to the list of Mod IEIN prefixes.

(3) Entity will perform IDRS research to ensure taxpayer is using correct EIN and name.

- EINs must initially be researched on IDRS with CCs ENMOD, BMFOL (definers 'E,' 'I,' 'T,' and 'R'), INOLE (definers 'G,' 'S,' and 'T') and FINDE/FINDS (definer 'D'). Compare TIN on Form 8161/voucher/routing slip with TIN on Master File (MF). Utilize CCs SUMRY, TXMOD, and UPTIN to

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ensure TIN is correct. Names will be researched via CCs NAMEE, NAMEB, NAMEI, and NAMES.

- If EIN is not on Master File and has a prefix of 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 or 99 indicating it was assigned by Modernized Internet EIN (Mod IEIN), and there is enough information to ESIGN, utilize CC ESIGN to issue a new EIN. Be sure to use appropriate Notice Information Code.
- If EIN is not on Master File and is **not** a Mod IEIN, but can be verified with CCs NAMEE, NAMEB, NAMEI, FINDE, or FINDS, input TC 000 with CC BNCHG entering correct FRCs, XREF TIN fields, etc.
- If an EIN cannot be located and the check does not contain enough information to assign an EIN, it will be considered "Unprocessable." If the check contains enough information to assign an EIN, ESIGN using NIC **D**. Send Letter 147C requesting a completed Form SS-4.
- All EINs will be assigned with the procedures in IRM 3.13.2.8.2(10), Processing BMF Returns.
- If a valid EIN is found, utilize CCs BMFOL, IMFOL, TXMOD, SUMRY, BRTVU/RTVUE and UPTIN to ensure FRCs and FYM are correct. Send Letter 147C informing the taxpayer of their correct EIN.
- Edit Form 8161/voucher/routing slip by circling out incorrect information such as name control, MFT, tax period and/or EIN. Edit correct information and underline in appropriate field(s) of Form 8161. If the form is processable, underline the Tax Period at the top of Form 8161 and edit MFT in Field (14) of Form 8161. If payment is Unprocessable write **"unprocessable"** in Field (14) of Form 8161. Enter audit trail as shown in IRM 3.13.2.8.2(16), Processing BMF Returns, with TE number and date.
- Enter account history item with the "Add a Note" feature of the RTR system. Include completed entity information, MFT, Tax Period, and Name Control or "Unprocessable" when account information cannot be found.

IRM 3.13.2.8(3) 5th and 7th bullets - Corrected IRM cross references.

(3) Entity will perform IDRS research to ensure taxpayer is using correct EIN and name.

- EINs must initially be researched on IDRS with CCs ENMOD, BMFOL (definers 'E,' 'I,' 'T,' and 'R'), INOLE (definers 'G,' 'S,' and 'T') and FINDE/FINDS (definer 'D'). Compare TIN on Form 8161/voucher/routing slip with TIN on Master File (MF). Utilize CCs SUMRY, TXMOD, and UPTIN to ensure TIN is correct. Names will be researched via CCs NAMEE, NAMEB, NAMEI, and NAMES.
- If EIN is not on Master File and has a prefix of 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 or 99 indicating it was assigned by Modernized Internet EIN (Mod IEIN), and there is enough information to ESIGN, utilize CC ESIGN to issue a new EIN. Be sure to use appropriate Notice Information Code.

- If EIN is not on Master File and is **not** a Mod IEIN, but can be verified with CCs NAMEE, NAMEB, NAMEI, FINDE, or FINDS, input TC 000 with CC BNCHG entering correct FRCs, XREF TIN fields, etc.
- If an EIN cannot be located and the check does not contain enough information to assign an EIN, it will be considered "Unprocessable." If the check contains enough information to assign an EIN, ESIGN using NIC **D**. Send Letter 147C requesting a completed Form SS-4.
- All EINs will be assigned with the procedures in IRM 3.13.2.8.2(10), Processing BMF Returns.
- If a valid EIN is found, utilize CCs BMFOL, IMFOL, TXMOD, SUMRY, BRTVU/RTVUE and UPTIN to ensure FRCs and FYM are correct. Send Letter 147C informing the taxpayer of their correct EIN.
- Edit Form 8161/voucher/routing slip by circling out incorrect information such as name control, MFT, tax period and/or EIN. Edit correct information and underline in appropriate field(s) of Form 8161. If the form is processable, underline the Tax Period at the top of Form 8161 and edit MFT in Field (14) of Form 8161. If payment is Unprocessable write "**unprocessable**" in Field (14) of Form 8161. Enter audit trail as shown in IRM 3.13.2.8.2(16), Processing BMF Returns, with TE number and date.
- Enter account history item with the "Add a Note" feature of the RTR system. Include completed entity information, MFT, Tax Period, and Name Control or "Unprocessable" when account information cannot be found.

IRM 3.13.2.8(16) - Include instruction to review ALL MeF returns received from ERS for Entity related documents (Form 2553, Form 8832, etc.) and process them as required.

(16) Modernized e-File (MeF) will refer cases to Entity via ERS Action Code 321. The Employee User Portal (EUP) will be accessed to verify Entity information. Any needed Entity transactions will be input by Entity TEs to ensure the taxpayer's information on Master File is current and correct. These cases are time sensitive and must be closely monitored. Entity TE's should review **ALL** MeF returns from ERS for Entity related documents (Form 2553, Form 8832, etc.) and process them as required.

Note: Forms 56 attached to an electronically filed tax return in MeF must not be processed. They are to be treated as information only.

IRM 3.13.2.8.22(9) - Updated instructions for processing Form 4876-A requests from Code & Edit.

(9) Copies of **Form 4876-A**, Election to be Treated as an Interest Charge DISC (IC-DISC), will be forwarded to KCSPC Entity from Code and Edit for processing. The Form 4876-A should contain instructions for updating the account.

If the taxpayer's election to be treated as an IC-DISC is approved, follow the steps below:

- If the EIN on document belongs to a Subchapter S corporation (TC 090 posted), input TC 096, effective for the date entered in Part I, Item E of Form 4876-A see IRM 3.13.2.23.18(1), Processing the Termination. Edit complete audit trail on Form 4876-A and associate a copy with posted TC 090 DLN.
- If EIN on copy of document is valid, remove the 1120-01 FRC.
- If EIN on copy of document is not valid, research for valid EIN. If found, edit on document and remove 1120-01 FRC.
- If valid EIN cannot be located, assign one on the "O" tape via CC ESIGN without an 1120-01 FRC. Use NIC D. Send Letter 147C instructing taxpayer to complete and return Form SS-4. Edit the EIN on the copy of Form 4876-A.

Removing the Form 1120 Filing Requirement will keep the taxpayer's account from being delinquent.

If the taxpayer is finalizing or revoking their IC-DISC election, or has had their IC-DISC Election terminated, but will still file as a Corporation, establish the 1120-01 FRC.

After processing the copy of Form 4876-A, it will be destroyed as classified waste in the Entity Control team after Quality Review.

IRM 3.13.2.8.22(8) (D) - Correct link to F 4442 Erroneous Referral Coordinators.

(8) Form 4442, Inquiry Referral

If...	Then....
A) Form 4442, Inquiry Referral is received,	• Batch under OFP 390-10014. • The case must be completed within 20 days of the date stamped by the fax machine. • Process the taxpayer inquiry, Section B according to your IRM procedures. • Complete Section C, Response/Final Resolution in blue or black ink according to the actions taken.
B) A fax number is present,	Fax the Form 4442 back to the originating office. Note: If the issue is an EIN consolidation, retain the Form 4442 as part of your consolidation case. It is not necessary to return Form 4442 to originator.
C) A fax number is not present,	Treat the Form 4442 as classified waste. See IRM 21.5.1.4.10 , Classified Waste.
D) Form 4442 is received by Entity and the inquiry is not an Entity related	This is considered an erroneous referral. Send the Form 4442 to your campus transshipping coordinator. The coordinator will alert the originating transshipping site of

issue,	their error. The case can be processed in the receiving site to avoid delay if possible. If the referral is received from a call site or Taxpayer Assistance Center (TAC), please refer the case to the Form 4442 Erroneous Referral Coordinator at the particular site. Please see Form 4442 Erroneous Referral Coordinators.
E) Form 4442 will be received from AM asking Entity to establish an SSN on the V/W tape for MFT 17 (Form 8288) or MFT 68 (Form 3520),	Entity TEs will input TC 000 to establish the SSN on the V/W tape as requested. Enter an audit trail on Form 4442 and route to originator.

If a Form 4442 is received in BMF Entity and there is an open BMF Entity unpostable on CC UPTIN, expeditiously forward the 4442 to BMF Entity Unpostables.

IRM 3.13.2.10.4(1) - Added 39 to the list of Mod IEIN prefixes.

(1) EINs assigned over the Internet begin with prefixes 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 or 99. Prefixes 45, 46, and 47 were determined to be the least used of all established prefixes. Therefore, Master File currently contains EINs with these prefixes. Pay close attention to the TC 000 date to determine correct origin of EINs beginning with 45, 46, or 47, as these prefixes were briefly used prior to the creation of Mod IEIN in 2007.

IRM 3.13.2.10.4(3) (A)(3) - Clarified instruction for Missing EIN assigned via Mod IEIN.

(3) If taxpayer's correspondence or Form SS-4 indicates the EIN was assigned over the Internet; process as follows:

If...	And...	Then...
A) Mod IEIN is not on Master File,	1) Form SS-4 is received,	Fax Form SS-4 to Cincinnati AM EIN department at 855-641-6935. Hold documents for one week monitoring IDRS for EIN assignment. If not assigned after seven working days, ESIGN new EIN with appropriate Notice Information Code.
A) Mod IEIN is not on Master File,	2) BMF return or form is received,	ESIGN new EIN on the BMF with appropriate Notice Information Code.
A) Mod IEIN is not on Master File,	3) Correspondence and/or calls are received,	Route correspondence to Accounts Management (AM) or direct caller to fax Form SS-4 to AM EIN function at fax number 855-

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		641-6935.
B) EIN is on Master File and belongs to a different taxpayer,	1) Form SS-4 is received,	Fax the form to: AM:EIN in Cincinnati - 855-641-6935
B) EIN is on Master File and belongs to a different taxpayer,	2) BMF return or form is received,	Assign a new EIN with NIC A .
B) EIN is on Master File and belongs to a different taxpayer,	3) Correspondence is received,	Correspond with the taxpayer telling them the EIN does not belong to them and they must apply for a new EIN.

IRM 3.13.2.10.20(2) - Added directions for EO responsible party changes.

(2) Notifications will be received in the form of correspondence, Forms SS-4 or Forms 8822-B. See IRM 3.13.2.4.8.2, Form 8822-B - Change of Responsible Party. If you receive a request to update the responsible party for an EO account (identified by Business Operating Division (BOD) code TE on INOLE), see IRM 3.13.2.4.8.2(8)(A).

IRM 3.13.2.12.1(7) - Removed SP HQ Analyst name.

(7) When completed, e-mail the SSA List 4479 to the SP headquarters BMF Entity analyst .

IRM 3.13.2.13 - Rewrote entire section and subsections for updated instruction on identification and referrals for Identity Theft and Potential FAB EIN.

(1) Identity Theft (IDT) is an issue all employees must be aware of to relieve taxpayer's burden and eliminate potential fraud. IDT occurs when someone uses an individual's personal information, such as name, SSN, or other identifying information without permission or knowledge, to commit fraud or other crimes.

(2) Business Master File (BMF) Identity (ID) Theft can involve the use of business's information to file fraudulent returns to support Individual Master File (IMF) ID theft or to obtain refunds from BMF accounts. A person can use an individual's stolen personal information to obtain an Employer Identification Number (EIN) to file false BMF tax returns and income documents.

Example: The Employer Identification Number was used or obtained without the permission or knowledge of the responsible individual to obtain a fraudulent refund, avoid paying taxes, or further perpetuate individual identity theft or refund fraud.

(3) TEs must not take action on an account if the words "IDENTITY THEFT" or "POTENTIAL FAB EIN" are on one of the name lines and a transaction code 971 with action code 524 (971-524) is present. The input of the TC 971 AC 524 causes the posting of a TC 020 locking the account. The TC 020 is only visible using CC BMFOLE. Actions input on an account with a 971-524 will go unpostable.

Caution: When correspondence is necessary on an account with "IDENTITY THEFT" or "POTENTIAL FAB EIN" on one of the name lines, please manually remove this verbiage from the entity information on the letter before transmitting the letter.

(4) If an account shows "IDENTITY THEFT", these cases will be sent to Accounts Management for reconsideration. A Form 14566 must be properly completed before referring. See IRM 3.13.2.13.2(3) for instructions on completing the Form 14566. These referrals should be sent to your P & A analyst for referral to the HQ SP BMF Entity Analyst. When sending referrals, please use the following subject line on email: Recon IDT - XXXX (Last 4 digits of EIN).

(5) If an account shows "Potential FAB EIN", these cases will be sent to RICS for reconsideration. A Form 14566 must be properly completed before referring. See IRM 3.13.2.13.2(3) for instructions on completing the Form 14566. Referrals will be sent to the RICS EEFax mailbox, # [REDACTED] #. BMF Liaisons can be found on SERP - Identity Theft - BMF Liaison Contacts - Who/Where - SERP. When sending referrals, please use the following subject line on email: Recon Potential FAB EIN - XXXX (Last 4 digits of EIN).

(6) Undeliverables, duplicate cases or previous action cases do not need to be referred unless the taxpayer has included some additional information that may validate their EIN.

(7) If a case is received indicating Identity Theft and there is no indication of IDT on the account, route the case to ICT as an Expedite per IRM 3.10.72-1.

(8) If an account has a reversed TC 971-524 (TC 972 AC 524) or a TC 011 with a X-REF TIN, do not elevate the case. Work case using normal processing.

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IRM 3.13.2.13.1 - Changed the title of this subsection.

(1) Form 14039-B, Business Identity Theft Affidavit, is used by business entities, estates, trusts or exempt organizations who may be a victim of identity theft and are requesting assistance from the IRS in resolving issues impacting their business entity. Correspondence (or Form 4442) can also be received indicating the taxpayer received an EIN without filing a Form SS-4 and they are a victim of identity theft. The following actions will be taken:

- Ensure the case has been reviewed by Return Integrity & Verification Operation (RIVO) or Accounts Management/Identity Theft by verifying the presence of an Action Code. If not, route to RIVO.

Action Code	Definition
501	T/P Initiated Identity Theft with tax related impact.
504	ID Theft - T/P Self-Identified, no tax related impact.
505	ID Theft - IRS Loss of PII.
506	IRS Identified ID Theft.
522	ID Theft Documentation Received.
523	Reserved
524	Locked Account or ENTLOK (locks just the Entity). See IRM 25.23.9-1, Transaction Code (TC) 971 Action Code (AC) 5XX-MISC Codes, for additional information.
525	Employment Related ID Theft.

Note: Do not re-open an EIN or take action on the account if the words "**IDENTITY THEFT**" or "**POTENTIAL FAB EIN**" are on one of the name lines or a TC 971 AC 524 is present on the account. See IRM 3.13.2.13, Identity Theft, for referral procedures.

- Research to ensure there is not another EIN on the system for this taxpayer name. If found, initiate TC 011 procedures if needed.
- Route to AM/Identity Theft for input of TC 971 AC 524.
- Entity will not input TCs 020 on BMF IDT cases going forward.

(2) When ID Theft has tax implications, the taxpayer can choose to obtain a new EIN. Taxpayers will submit to Entity Form SS-4, Application for Employer Identification Number, and Form 14039-B, Identity Theft Affidavit - Business to BMF Entity. See IRM 25.23.9.9.7, Request for a New Employer Identification Number (EIN) by a taxpayer Who Is a Victim of ID Theft, for full explanation of instructions given to the taxpayer.

- Form SS-4 will have "Other (specify)" marked in **Item 10** and the explanation for a new EIN. The taxpayer's previous EIN will be entered in **Item 18** of Form SS-4.
- Form 14039-B must be thoroughly completed and legible.

(3) Perform necessary research to ensure taxpayer does not have a different EIN from the one entered in **Item 18** of Form SS-4. Assign an EIN from the information on Form SS-4. See IRM 21.7.13.5, Assigning EINs. Annotate audit trail on Form 14039-B.

(4) A separate, independent file of Forms 14039-B will be maintained in the Entity Control Team.

IRM 3.13.2.13.3 - Added new subsection on Entity Lock.

(1) New programming changes aimed at addressing the significant increase in business related identity theft and fraud have been implemented. This increase is linked to account takeovers of valid business entities by bad actors requesting name and/or address updates.

(2) RICS is expanding the current process for the # [REDACTED] # to lock the entity. Two new miscellaneous codes have been added:

- # [REDACTED] #
- # [REDACTED] #

(3) The TC 020 will not post with this # [REDACTED] #. Programming will prevent name and address updates to existing modules (TC 013, TC 014 & TC 016). All other entity transactions will post.

(4) See IRM 3.13.2.13(4 & 5) for referral procedures.

IRM 3.13.2.14(3) - Clarified instruction that referrals from AM on a Form 4442 will have proper supporting documentation.

(3) All consolidation requests will be sent to Entity. BMF Entity is the only area within the campus authorized to consolidate EINs. These cases will be completed within 30 calendar days from the Entity Received date. Accounts Management (AM) will send EIN Consolidation requests on Form 4442 with proper supporting documentation. If supporting documentation is not provided, return Form 4442 to the requestor.

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Exception: Priority will be given to Collection consolidations involving balance due accounts. They will be processed within 10 days of receipt in Entity. The proper research will be attached to these requests, or the case will be rejected back to the originator.

IRM 3.13.2.14.1(3) - Removed SP HQ Analyst name.

(3) When one entity of the consolidation action is a Qualified Intermediary, Withholding Foreign Partnership or Withholding Foreign Trust with an EIN in the range of # [REDACTED] #, do not attempt to consolidate the account without approval from LB & I. If you receive a request to consolidate, please contact SP HQ BMF Entity Analyst.

IRM 3.13.2.23.1(5) (D) - Added Reminder to have TE research for alternative EIN before assigning a new one. See IRM 3.13.2.2(2)(h).

(5) **Employer Identification Number** - The EIN of the entity making the Subchapter S-election will be in this area. Research IDRS carefully to verify the accuracy of the EIN. See chart:

If...	And...	Then...
A) EIN is missing,	IDRS research does not reveal a valid EIN,	Assign an EIN using NIC A , RIC 53 , and the valid selected tax year on Form 2553.
B) EIN is invalid or belongs to another taxpayer,	IDRS research does not reveal a valid EIN,	Assign an EIN using appropriate NIC, RIC 53 , and the valid selected tax year on Form 2553.
C) EIN was established as a Sole Proprietorship or Partnership (not LLC),	The EIN was ESIGN'd in the same year Form 2553 was received and no returns have been filed under the SP EIN,	Update the EIN to reflect the corporate entity shown on Form 2553: 1. Remove Sole Prop SSN by entering 000-00-0001 in the Sole Prop SSN field, Note: This change must be input first and no other fields can be altered in the same TC 016. 2. Update Entity fields as needed, 3. Enter same SSN in the XREF-TIN-ITIN field, 4. Add Form 1120-01 FRC with FYM reflected in Part 1, Item F.

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D) EIN was established as a Sole Proprietorship or Partnership (not LLC),	The EIN was not ESIGN'd in the same tax year Form 2553 was received,	ESIGN a new EIN as a Corporation and continue processing Form 2553. Reminder: Proper research must be completed to ensure the entity does not already have an EIN. See IRM 3.13.2.2(2)(h). Caution: Care must be taken to verify with Secretary of State that the entity has been incorporated before assigning an EIN from Form 2553. If this cannot be verified: 1) Reject Form 2553 since the taxpayer's election is invalid for the entity. 2) Send letter 326C explaining that a sole proprietorship or partnership is not a valid entity for electing S corporation status. 3) Ensure there is a TC 093 and TC 092 on the Entity module. The remarks field of the TC 092 will state: NSD - Returning 2553 to TP. Invalid election.
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IRM 3.13.2.23.2(1) (a) - Added Caution for non-domestic corporations.

(1) To be eligible for S status, the corporation must:

- a. Be a domestic for-profit corporation, (for example, created or organized in the U.S. or under U.S. or State law).

Caution: Corporations created or organized in U.S. Territories (Puerto Rico, Guam, American Samoa, U.S. Virgin Islands & the Commonwealth of Northern Mariana Islands), are not eligible as they are not considered domestic corporations.

- b. Use a "permitted tax year".
- c. Have only one class of stock.
- d. Be incorporated on or before the requested effective date.
- e. Not be a member of a group that files a consolidated return.

Note: Pay close attention to Item L (date stock acquired). If the date in Item L matches the requested effective date, continue processing the election. If this date does not match, contact the corporation for clarification. If unable to contact, deny election.

This does not apply to QSubs, IRM 3.13.2.24, Form 8869, Qualified Subchapter S Subsidiary Election.

- f. Have shareholders who are only individuals, estates, exempt organizations described in section 401(a) or 501(c)(3), or certain trusts described in section 1361(c)(2)(A).
- g. Not have non-resident alien shareholders, see IRM 3.13.2.23.2 (7), unless the non-resident alien is a potential current beneficiary of an ESBT with an ESBT election made after December 31, 2017, see IRM 3.13.2.23.22 (4)(a), Form 8716 - Election to Have a Tax Year Other Than a Required Tax Year.
- h. Not have more than one hundred shareholders: Spouses, their estates, and members of their family (up to 6 linear generations under a common ancestor) count as one shareholder. The taxpayer could need to provide family grouping.
- i. Not be a financial institution (bank or thrift institution) that uses the reserve method of accounting for bad debts under IRC 585.
- j. Not be an insurance company subject to tax under Subchapter L (Insurance Company).
- k. Not be a DISC or former DISC, Form 1120, Domestic International Sales Corporation Return/Scope (DISC).
- l. Not be a partnership.

IRM 3.13.2.23.2(1) (f) - Corrected shareholder information.

(1) To be eligible for S status, the corporation must:

- a. Be a domestic for-profit corporation, (for example, created or organized in the U.S. or under U.S. or State law).

Caution: Corporations created or organized in U.S. Territories (Puerto Rico, Guam, American Samoa, U.S. Virgin Islands & the Commonwealth of Northern Mariana Islands), are not eligible as they are not considered domestic corporations.

- b. Use a "permitted tax year".
- c. Have only one class of stock.
- d. Be incorporated on or before the requested effective date.
- e. Not be a member of a group that files a consolidated return.

Note: Pay close attention to Item L (date stock acquired). If the date in Item L matches the requested effective date, continue processing the election. If this date does not match, contact the corporation for clarification. If unable to contact, deny election.

This does not apply to QSubs, IRM 3.13.2.24, Form 8869, Qualified Subchapter S Subsidiary Election.

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- f. Have shareholders who are only individuals, estates, exempt organizations described in section 401(a) or 501(c)(3), or certain trusts described in section 1361(c)(2)(A).
- g. Not have non-resident alien shareholders, see IRM 3.13.2.23.2 (7), unless the non-resident alien is a potential current beneficiary of an ESBT with an ESBT election made after December 31, 2017, see IRM 3.13.2.23.22 (4)(a), Form 8716 - Election to Have a Tax Year Other Than a Required Tax Year.
- h. Not have more than one hundred shareholders: Spouses, their estates, and members of their family (up to 6 linear generations under a common ancestor) count as one shareholder. The taxpayer could need to provide family grouping.
- i. Not be a financial institution (bank or thrift institution) that uses the reserve method of accounting for bad debts under IRC 585.
- j. Not be an insurance company subject to tax under Subchapter L (Insurance Company).
- k. Not be a DISC or former DISC, Form 1120, Domestic International Sales Corporation Return/Scope (DISC).
- l. Not be a partnership.

IRM 3.13.2.23.8(4) - Moved information from IRM 3.13.2.31(2) to this section.

(4) Accounts Management (AM) will forward requests for reversal of IRC Section 444 election (TC 054 or TC 055) to Entity, to disallow the posting of TCs 295/299 on **carryback** cases.

- a. If the corporation has a Sub S-election and has requested a fiscal year under IRC Section 444, a TC 052 will be input with the following remarks: "NSD-TC 055 reversed to allow C/B adjustment to post." The TC 055 will be re-input with a PDC "5" and include the above remarks.
- b. If the taxpayer has revoked, terminated, or rescinded the Sub S-election indicated by TC 091, TC 092, or TC 096), do no re-input TC 055.

IRM 3.13.2.24.5(3) - Added bullet under table clarifying action for duplicate requests.

(3) Follow the **If, And, Then** chart:

Note: When you input a TC 082 for Form 8869, it must be a source document.

If...	And...	Then...
A) The effective date is valid,	1) The form is timely and no TC	a. Input TC 082 on parent EIN with Form 8869/Form 966 as source

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	082 on parent EIN,	document. b. Close any open 1120 FRC on subsidiary EIN. c. Input TC 590 CC 013 on CC FRM49 on subsidiary EIN.
A) The effective date is valid,	2) The form is not timely and no TC 082 on parent EIN,	a. Make the effective date two months and 15 days before the postmark date. b. Input TC 082 on parent EIN with Form 8869/Form 966 as source document. c. Close any open 1120 FRC on subsidiary EIN. d. Input TC 590 CC 013 on CC FRM49 for the subsidiary EIN.
B) The effective date is not valid, (More than 12 months prior to the due date of the return),	1) The form is timely and no TC 082 on parent EIN,	a. Make the effective date 12 months prior to the due date of the return. b. Input TC 082 on parent EIN with Form 8869/Form 966 as source document. c. Close any open 1120 FRC on subsidiary EIN. d. Input TC 590 CC 013 on CC FRM49 for the subsidiary EIN.
B) The effective date is not valid, (More than 12 months prior to the due date of the return),	2) The form is not timely and no TC 082 on parent EIN,	a. Make the effective date 75 days prior to the Postmark date. b. Input TC 082 on parent EIN with Form 8869/Form 966 as source document. c. Close any open 1120 FRC on subsidiary EIN. d. Input TC 590 CC 013 on CC FRM49 for the subsidiary EIN.
C) The effective date is blank,	No TC 082 on parent EIN,	a. Make the effective date the postmark date. b. Input TC 082 on parent EIN with Form 8869/Form 966 as source document. c. Close any open 1120 FRC on subsidiary EIN. d. Input TC 590 CC 013 on CC FRM49 for the subsidiary EIN.
D) If Part II, Item 14 is		a. Prepare a dummy Form 2553.

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checked "yes,"		b. Input a TC 090 on the newly formed holding company for the effective date of the original TC 090. See IRM 3.13.2.28, Business Trust ("F" Reorganization).
E) Form 8869 is received,	Parent does not have TC 090 posted and Item 14 is checked "no,"	Send Letter 312C to subsidiary explaining election not on file for parent.

Note: If postmark date is unavailable, use earliest IRS received date. Do not use privately metered mail when determining timeliness of Form 8869.

- The TC 082 must have an effective date the same or later than the TC 090 of the parent.
- If processing multiple QSubs for multiple effective dates, use the earliest date for the TC 082 on the parent EIN.
- If there is a credit balance present on the subsidiary's EIN, prepare Form 3465, Adjustment Request, and send to BMF AM/Adjustments to have the payment(s) moved. If you cannot determine where the credit was intended, contact the taxpayer asking where the credit was intended to be applied. Input TC 590-020.
- If the TC 082 has an incorrect date or is input in error, reverse by inputting TC 083, using Doc Code 53, and in the remarks field "Reverse 082." If re-inputting a correct TC 082, you must use a posting delay code to delay the action 1 cycle.
- If a TC 082 is already present on the parent EIN, do not input a TC 082, this will cause an UPC 323. Send a copy stamped "accepted" or "approved" to the parent, as proof of approval, and attach the Form 8869 to the original TC 082 DLN.
- If the taxpayer submits a duplicate request, send letter advising them they already have an approved election.
- A TC 082 will generate a CP 279 stating "We've approved your election to be treated as a parent S corporation".
- Occasionally, a Form 8869 will be detached from a return and routed to Entity. If the TC 082 is already posted and the Form 8869 reflects a new subsidiary, associate the Form 8869 with the original TC 082
- All subsidiaries will be updated using FRM49. See Figure 3.13.2-47.

Note: If NAICS code is not available when inputting TC 590, enter **999000**.

- If the final return of the subsidiary has not posted, enter the input fields per Figure 3.13.2-47.

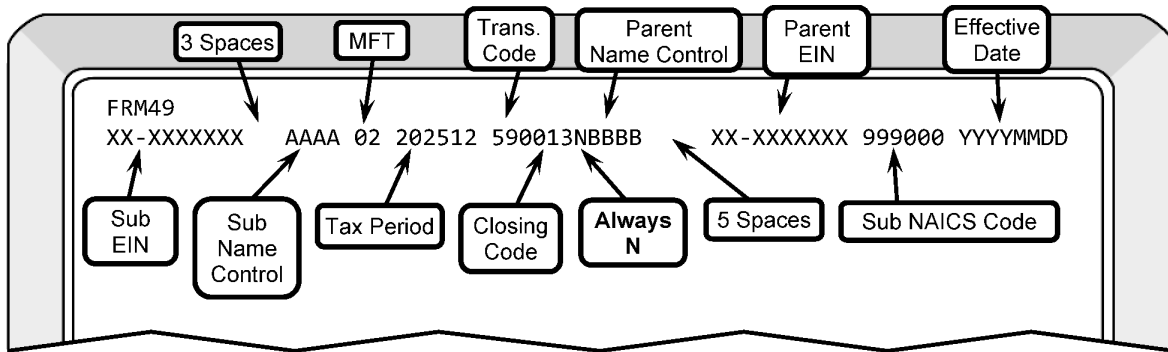


Figure 3.13.2-47 CC FRM49 - TC 590-013

IRM 3.13.2.24.7 - Added (3) to include cross reference to IRM 3.13.2.28.

(1) Revenue Ruling 2008-18 allows an S corporation to reorganize under IRC 368(a)(1)(F) whereby the S corporation becomes a QSub of a new holding company and the S-election carries over to the new holding company. Ensure the new holding company has a valid EIN. A **dummy** Form 2553 will be prepared for the new holding company. PSC - Z will be used when inputting the TC 090 on the new holding company. The effective date of the TC 090 will be the same as the original TC 090.

(2) When an **F** reorganization takes place, and the QSub's EIN is the same as the Parent S Corporation, do not enter a TC 590 Closing Code 013 for the QSub.

(3) For additional information about F Reorganizations, see IRM 3.13.2.28, Business Trust ("F" Reorganization).

IRM 3.13.2.27.8(1)(E) - Added 39 to the list of Mod IEIN prefixes.

(1) Use the following If, And, Then chart to process Form 8832 with a missing or invalid EIN:

If...	And...	Then...
A) The EIN is missing or "applied for,"	IDRS research indicates an EIN has not	Return Form 8832 to the taxpayer using Letter 3574C/6801sce informing them their Form 8832 cannot be

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	been assigned,	processed without a valid EIN. Instruct the taxpayer to obtain an EIN and return Form 8832.
B) The EIN is invalid,	IDRS research cannot locate a valid EIN,	Return Form 8832 to the taxpayer informing them their Form 8832 cannot be processed without a valid EIN. Instruct the taxpayer to obtain an EIN and return Form 8832.
C) The Form 8832 is for a foreign entity and EIN is missing or invalid,	IDRS research cannot locate a valid EIN,	Return Form 8832 to the taxpayer informing them that their Form 8832 cannot be processed without a valid EIN. Instruct the taxpayer to obtain an EIN and return Form 8832.
D) The Form 8832 is for a foreign entity and there is an EIN (any prefix but 98) on the Form 8832 (for prefix 98, see Note below),	The EIN is on the Master File,	Allow taxpayer to use the EIN.
E) The Form 8832 is for a domestic entity and has an Internet EIN (20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 or 99 prefix) on the form,	The EIN is not on the Master File,	Return Form 8832 to the taxpayer informing them that their Internet EIN is not valid. Instruct the taxpayer to obtain a new EIN and return Form 8832 to us for processing.

Note: If research indicates a valid EIN with a prefix of 98, route to Ogden Entity, MS 6273.

IRM 3.13.2.27.12(2) - Updated contact to Ogden Lead can be by email.

(2) Forms 8832 filed by foreign entities are processed exclusively in Ogden. If a foreign Form 8832 is received at any other processing site, it will be transshipped to Ogden. If there is an open unpostable the Kansas City Lead will contact an Ogden Lead via fax or email and request the Form 8832 be processed. An entry in any of the boxes on page 2, Line 6d, e, or f or Line 7 indicates the Form 8832 is for a foreign entity.

IRM 3.13.2.28(7) - Added paragraph for duplicate or subsequent requests.

(7) If the taxpayer sends in a subsequent or duplicate request, send a letter of explanation.

IRM 3.13.2.29(5) - Added 39 to the list of Mod IEIN prefixes.

(5) Trust EINs beginning with prefixes 20, 26, 27, 33, 39, 45, 46, 47, 81, 82, 83, 84, 85, 86, 87, 88, 92, 93 and 99 will reflect the first four characters of the primary name as the name control. Entity TEs will not alter the name control of these EINs because employees in the pipeline understand the different name control procedures for Mod IEIN. Other EIN prefixes will be name controlled by the historical method: the first four characters of the first last name if the entity is owned by individuals.

IRM 3.13.2.30(18) - Clarified what type of work is batched under each OFP.

(18) Office Function Program (OFP) Codes were created specifically for the processing of Forms 8973. The codes will be used to report time and batch the work as follows:

- 10020 will be used for the initial processing of Forms 8973. This includes starts (Part 1, box 1), stops (Part 1, box 2) and revocations.
- 10021 will be used for Forms 8973 indicating corrections (Part 1, box 3) or correspondence.
- 10023 will be used for renewal processing of Forms 8973, Page 3.

IRM 3.13.2.30.3(4) - Added instruction for OFP used when working revocations.

(4) All revocations will be worked under OFP 390-10020.

IRM 3.13.2.31 - Corrected title of section and updated information for Historic Easement User Fee. Hyperlink has been added to IRM 3.13.5.41 for processing procedures.

(1) Historic Easement User Fee (OSPC Only):

- This is the filing fee required for the charitable deduction with respect to registered historical district easements. The deduction will be disallowed if the fee is not paid. The input of the TC 971 AC 670 indicates the taxpayer has paid the user fee.

- IRS Beckley Finance Center will fax a consolidated IMF/BMF report to the HQ Entity Analyst who will coordinate with the Ogden campus for input on a quarterly basis.
- See IRM 3.13.5.41, Historical Easement User Fee Processing (Ogden Only), for processing procedures.

IRM 3.13.2.31(2) - Moved this information to IRM 3.13.2.23.8 for clarity.

(4) Accounts Management (AM) will forward requests for reversal of IRC Section 444 election (TC 054 or TC 055) to Entity, to disallow the posting of TCs 295/299 on **carryback** cases.

- If the corporation has a Sub S-election and has requested a fiscal year under IRC Section 444, a TC 052 will be input with the following remarks: "NSD-TC 055 reversed to allow C/B adjustment to post." The TC 055 will be re-input with a PDC "5" and include the above remarks.
- If the taxpayer has revoked, terminated, or rescinded the Sub S-election indicated by TC 091, TC 092, or TC 096), do no re-input TC 055.

Exhibit 3.13.2-8 - Added link for Arkansas SOS.

State	Website
Alabama	Alabama Business Entity Records
Alaska	Alaska Division of Corporations, Business and Professional Licensing
Arizona	Arizona Corporations Commission
Arkansas	Arkansas Secretary of State
California	California Secretary of State
Colorado	Colorado Secretary of State - Business Database Search
Connecticut	Connecticut Online Business Search
Delaware	Delaware Division of Corporations
Florida	Florida Search for Corporations, Limited Liability Companies, Limited Partnerships, and Trademarks by Name
Georgia	Georgia Business Name Search
Hawaii	Hawaii Business Express
Idaho	Idaho Secretary of State
Illinois	Illinois Business Entity Search
Indiana	Indiana Business Entity Search
Iowa	Iowa Business Entity Search
Kansas	Kansas Business Entity Search
Kentucky	Kentucky: Secretary of State - Business Entity Search
Louisiana	Search for Louisiana Business Filings
Maine	Maine Search Corporate Names

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Maryland	Maryland Business Entity Search
Massachusetts	Massachusetts Corporations Search
Michigan	Michigan Corporations Division - Search for a business entity
Minnesota	Minnesota Business Filings Search
Mississippi	Mississippi Secretary of State
Missouri	Missouri Business Filings
Montana	Montana Secretary of State
Nebraska	Nebraska Secretary of State - Corporation and Business Entity Searches
Nevada	Nevada Entity Search
New Hampshire	New Hampshire Secretary of State
New Jersey	New Jersey Business Records Service
New Mexico	New Mexico Corporations Division
New York	New York Secretary of State
North Carolina	North Carolina Secretary of State Search
North Dakota	North Dakota Secretary of State
Ohio	Ohio Secretary of State Business Search-Business Name
Oklahoma	Oklahoma Search Corporation Entities
Oregon	Oregon Business Registry Business Name Search
Pennsylvania	Pennsylvania Secretary of State
Puerto Rico	Puerto Rico Corporations Search
Rhode Island	Rhode Island Business Portal
South Carolina	Business Name Search - South Carolina Secretary of State
South Dakota	South Dakota Secretary of State - Business
Tennessee	Tennessee Business Entity Search - Business Services Online
Texas	Texas Business Entity Search
Utah	Utah Business Search
Vermont	Vermont Corporations Division
Virgin Islands	Virgin Islands Corporations Search
Virginia	Virginia Secretary of State
Washington	Washington Corporations and Charities System
West Virginia	West Virginia Secretary of State Business Entity Search
Wisconsin	Wisconsin Corporate Records Search
Wyoming	Business Entity Search - Wyoming Secretary of State

Exhibit 3.13.2-8 - Corrected New Mexico SOS link per SERP Feedback #26700.

State	Website
Alabama	Alabama Business Entity Records
Alaska	Alaska Division of Corporations, Business and Professional Licensing
Arizona	Arizona Corporations Commission
Arkansas	Arkansas Secretary of State

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California	California Secretary of State
Colorado	Colorado Secretary of State - Business Database Search
Connecticut	Connecticut Online Business Search
Delaware	Delaware Division of Corporations
Florida	Florida Search for Corporations, Limited Liability Companies, Limited Partnerships, and Trademarks by Name
Georgia	Georgia Business Name Search
Hawaii	Hawaii Business Express
Idaho	Idaho Secretary of State
Illinois	Illinois Business Entity Search
Indiana	Indiana Business Entity Search
Iowa	Iowa Business Entity Search
Kansas	Kansas Business Entity Search
Kentucky	Kentucky: Secretary of State - Business Entity Search
Louisiana	Search for Louisiana Business Filings
Maine	Maine Search Corporate Names
Maryland	Maryland Business Entity Search
Massachusetts	Massachusetts Corporations Search
Michigan	Michigan Corporations Division - Search for a business entity
Minnesota	Minnesota Business Filings Search
Mississippi	Mississippi Secretary of State
Missouri	Missouri Business Filings
Montana	Montana Secretary of State
Nebraska	Nebraska Secretary of State - Corporation and Business Entity Searches
Nevada	Nevada Entity Search
New Hampshire	New Hampshire Secretary of State
New Jersey	New Jersey Business Records Service
New Mexico	New Mexico Corporations Division
New York	New York Secretary of State
North Carolina	North Carolina Secretary of State Search
North Dakota	North Dakota Secretary of State
Ohio	Ohio Secretary of State Business Search-Business Name
Oklahoma	Oklahoma Search Corporation Entities
Oregon	Oregon Business Registry Business Name Search
Pennsylvania	Pennsylvania Secretary of State
Puerto Rico	Puerto Rico Corporations Search
Rhode Island	Rhode Island Business Portal
South Carolina	Business Name Search - South Carolina Secretary of State
South Dakota	South Dakota Secretary of State - Business
Tennessee	Tennessee Business Entity Search - Business Services Online
Texas	Texas Business Entity Search
Utah	Utah Business Search
Vermont	Vermont Corporations Division
Virgin Islands	Virgin Islands Corporations Search

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Virginia	Virginia Secretary of State
Washington	Washington Corporations and Charities System
West Virginia	West Virginia Secretary of State Business Entity Search
Wisconsin	Wisconsin Corporate Records Search
Wyoming	Business Entity Search - Wyoming Secretary of State

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