IRM PROCEDURAL UPDATE

DATE: 10/10/2025

NUMBER: ts-03-1025-3643

SUBJECT: Updated Other Refundable Credits Line Number for Prior Year Returns

AFFECTED IRM(s)/SUBSECTION(s): 3.12.251

CHANGE(s):

IRM 3.12.251.30.42(6) - Corrected the line number for other refundable credits on prior year returns, per SERP feedback 34664.

(6) **TEs MUST check return and ALL attachments when resolving this Error Code.**

- Field 08PYO, Preceding Year's Overpayment Credited to the Current Year, transcription is from Line 13.
- Field 08EPA, Current Year's Estimated Tax Payments, transcription is from Line 14.
- Field 08CYR, Current Year's Refund Applied for on Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax, transcription is from Line 15.

If	And	Then
Field 08PYO, Field 08EPA, or Field 08CYR are present,	The Tax Period is before 202401,	Delete the entry. Move the entry to Field 08EST.

- **Field 08EST** Transcribed from Form 1120, Line 16 (2023 - 2018) (Line 15 for 2017 and prior), and is the total of Schedule J, Lines 13, 14 and 15 (Lines 12, 13 and 14 2017-2011). Line 16 is Reserved for Future Use on 2024 revision but Field 08EST may still be present on prior year tax periods.

If	And	Then
Field 08EST is present,	The Tax Period is greater than 202312,	Delete the entry. Move the entry to Field 08PYO, 08EPA and/or 08CYR as shown on the return.

- **Field 08EXT**, Form 7004 Credit Transcription is from Form 1120, Schedule J, Line 17 (Line 16 2017-2011).
- **Field 08WTH**, Withholding and Backup withholding is dollars only and positive only. This field is from Schedule J, Part III, Line 18 (Line 17 2017-2011).

- **Field 08RIC**, Form 4255, Certain Credit Recapture, Excessive Payments, and Penalties - Transcription is from Schedule J, Line 9a. Form 1120. If Field 08RIC is # [redacted] # and Form 4255 is missing, initiate correspondence.
- **Field 07FIR**, FIRPTA Credit - Transcription is from Page 1, bottom center margin, Form 1120 only. Enter any **FIRPTA** credit, Form 8288-A, in Field 07FIR. **For Kansas City**, any Form 1120 with this credit must be transferred to OSC.
- **Field 07ESP**, Estimated Tax Penalty Transcription is from Line 34 (Line 33 2017-2011), Form 1120. It is edited from Line 38, Form 2220, Underpayment of Estimated Tax by Corporations and must always be included in the Balance Due/Overpayment total. Enter/edit Reserve Code "4" when a large corporation is shown on Box 8 of Form 2220.

  Note: If an entry in Field 07ESP was deleted per instructions at IRM 3.12.251.11.1, send TPNC 90 (e.g., 90 - 257) with the following literal, "We found an error in the computation of your estimated tax penalty and adjusted your return accordingly."

  Note: See IRM 3.12.251.7.7, Field 03RVC - Reserve Code (XREF EC 164).

- For an updated listing of the non-programmed TPNC 90 literals, see TPNC 90 Literals - Copy and Paste Job Aid, on Servicewide Electronic Research Program (SERP) at http://serp.enterprise.irs.gov/databases/portals/sp/bmf/notice-review/job-aids/tpnc-90-literals.txt .
- **Field 07B/R**, Balance Due/Overpayment: Transcription is from Line 35 (Line 34 2017-2011), Balance Due or Line 36 (Line 35 2017-2011), Overpayment from Form 1120. The computer will compute Balance Due/Overpayment The formula is 07B/R = 07TTX − 08EST − 08EXT − 08WTH − 0896I- 07ARC (200812 and later)+ 07ESP.

If	And	Then
A significant amount is present in Field 08PYO, 08EPA, or 08CYR,	The Tax Period is before 202401,	Delete the field. Move the entry to Field 08EST.
A significant entry is present in Field 08EST,	The Tax Period is greater than 202312,	Delete the field. Move the entry to Field 08PYO, 08EPA and/or 08CYR as shown on the return.
A significant amount is present in Field 08SUL (For tax	**IRA22DPE** is written on the line, on Form	Accept the taxpayers amount. If Code and Edit has not done so, 1. Edit RPC "J."

periods 202201 - 202212),	3800 or on an attachment ,“	2. Place a flag at the top of the return and attach the "IRA22 DPE/TRE Reminder" sheet to the return. **Note:** P&A will provide the pre-printed half-sheets for ERS to use. 3. Suspend with Action Code "450". 4. Sign the DLN out of the block using Form 1332, Block and Selection Record. 5. Give the return to the lead. The lead will place the return in the designated area for LB&I review.
A significant amount is present on Line 20z (Field 08OTR) for the Claim of Right Credit under Section 1341, Line 20d for 2022 and prior		Accept the taxpayers amount. **Note:** The Section 1341 credit amount may be credit elect. If there is a credit elect amount present in the "Credited to estimated tax" line, then accept the credit elect amount for Section 1341.
It appears the return is being filed for a bank or savings and loan and has an Audit Code "1," CCC "X"	Blocking series 979 or 499,	Continue processing. If the return has a refund, do not send TPNC; instead, change the taxpayer's figures to agree with the underprint.
There is an entry on Line 33 (Line 32 2017-2011) of the Form 1120,	1. Line 19 of Schedule J (Line 18 2017-2011) is the only payment entry, 2. No payment amounts are on	1. Enter the Line 19 (Line 18 2017-2011), Schedule J amount in Field 08EST. 2. Research BMFOL to see if any payment amounts matching Line 33 (Line 32 2017-2011) of the Form 1120 can be found. If payments are present on BMFOL, enter them in the correct fields. 3. If a payment is found that is **less** than the amount the taxpayer has claimed on Line 33 (Line 32 2017-2011), enter the lesser amount into Field 08EST. If Error Code 188 regenerates, assign TPNC 10. 4. If a payment is found that is **more** than the amount the taxpayer has claimed on Line 33 (Line 32 2017-2011), enter the taxpayers amount from Line 33 (Line 32 2017-2011) into Field 08EST. 5. If **no payments are found**, assign TPNC 10. 6. If the taxpayer's amount on Line 33 (Line 32

	Schedule J,	2017-2011) is negative, input CC SSPND **355** for research. **(Ogden ONLY). Kansas City** take to your lead. 7. **REJECTS ONLY**-Research IDRS for credit or debit of a similar amount, if found adjust Line 33 (Line 32 2017-2011) (Field 07TPC) accordingly. If not found, correspond. **If no reply**, to correspondence, delete amount on Line 33 (Line 32 2017-2011) (Field 07TPC). If prepaid credits (on Schedule J, Lines 13 through 18) (Lines 12 through 19 2017-2011) are claimed and the return is a Short Period return because it is a final or has a change of accounting period, Suspend with Action Code "342." Prepare Form 4227, Intra-SC Reject or Routing Slip, with a notation of **Short Period with ES Credits.**
Taxpayer has shown a payment for penalties,	And/or interest on return or attachments,	Remove from Field 07B/R.
Lines 34 or 35 are blank, zero, dash or none,	Code and Edit didn't edit,	Enter the correct amount in Field 07B/R.
Field 15TG> does not agree with Schedule J, Part III, Line 20b (Part II, Line 19b 2017-2011),		GTSEC Sections 15-18 and enter the correct fields.
Reported tax and claimed tax are both zero,		Enter .01 (one cent) into Field 07MCT.
Schedule J, Part III, Line 20b (Part II, Line 19b 2017-2011) has an amount,	No Form 4136 is attached,	SSPND with Action Code "211" for correspondence.
Form 4136 credit is disallowed due to an invalid tax period, IRM 3.12.251.18.1, Sections 15-18		• Send TPNC 90 (e.g., 90-249) with the following language: "You claimed a credit from Form 4136 on your tax return. The year for the credit is not valid, we have adjusted your return accordingly." • For an updated listing of the non-programmed TPNC 90 literals, see TPNC 90 Literals - Copy

Field Errors,		and Paste Job Aid, on Servicewide Electronic Research Program (SERP) at http://serp.enterprise.irs.gov/databases/portals/sp/bmf/notice-review/job-aids/tpnc-90-literals.txt
Taxpayer has made an error computing Balance Due/Overpayment,		Assign TPNC 10.