

IRM PROCEDURAL UPDATE

DATE: 11/05/2025

NUMBER: ts-25-1125-3663

SUBJECT: Return Integrity and Verification Operation Business Master File Procedures

AFFECTED IRM(s)/SUBSECTION(s): 25.25.1

CHANGE(s):

IRM 25.25.1.1.6 - Added acronym CRX, BTA, DIM & DUT.

(1) The acronyms below are used in the Return Integrity Verification Operations (RIVO) Programs:

Acronym	Definition
AC	Action Code
ACH	Automated Clearing House
AIMS	Audit Information Management System
ALC	Account Locator Number
AM	Accounts Management
AMS	Account Management Services
AOTC	American Opportunity Tax Credit
AQC	Automated Questionable Credit Program
ARAP	Accelerated Refund Assurance Program
ARG	Frivolous Argument Codes
ASFR	Automated Substitute for Return
AT	Abusive Transactions
ATAT	Abusive Tax Avoidance Transactions
AUR	Automated Underreporter

BFS	Bureau of the Fiscal Service
BKL/BKLD	
BMF	Business Master File
BMFIC	Business Master File Identity Check
BOD	Business Operation Division
BS	Blocking Series
BTA	Business Tax Account
CADE	Customer Account Data Engine
CAP	Collection Appeals Program
CAS	Customer Account Services
CC	Command Code
CCC	Computer Condition Code
CCP	Centralized Check Process
CD	Code
CDP	Collection Due Process
CE	Contact Employer
CEAS	Campus Exam Automation Support
CFC	Campus Fraud Coordinator
CI	Criminal Investigation
CIR	Collection Information Repository
CII	Correspondence Imaging Inventory
CP	Computer Paragraph
CRX	Correspondence Letter System
CSR	Customer Service Representative

CWSD	Centralized Workload Selection and Delivery
CY	Calendar Year
DD	Direct Deposit
DDB	Dependent Database
DIM	Digital Inventory Management
DISCL	Disclaimer
DLN	Document Locator Number
DM	Data Mining
DMAS	Data Management and Analysis Support
DOJ	Department of Justice
DSL	Dynamic Selection List
DUT	Document Upload Tool
EF	Entity Fabrication
EFDS	Electronic Fraud Detection System
EIC	Earned Income Credit
EIN	Employer Identification Number
EL	External Leads
ELF	Electronic Filing System
ELP	External Leads Program
EUP	Employee User Portal
FEMA	Federal Emergency Management Agency
FFC	Federal Fraud Case
FMS	Financial Management Service
FOIA	Freedom of Information Act

FRE	Fraud Referral and Evaluation
FRP	Frivolous Return Program
FTA	Fraud Technical Advisor
FTC	Fuel Tax Credit
FTD	Federal Tax Deposit
FY	Fiscal Year
GATT	General Agreement on Tariffs and Trade
HC	Hold Code
HHS	Health and Human Services
HQ	Headquarters
HSH	Household Help
IA	Installment Agreement
IAT	Integrated Automation Technologies
IDOC	Income Document
IDRS	Integrated Data Retrieval System
IDT	Identity Theft
ILO	In Lieu Of
IMF	Individual Master File
IPSU	Identity Protection Specialized Unit
IRA	Information Returns Acceleration
IRC	Internal Revenue Code
IRM	Internal Revenue Manual
IRP	Information Reporting Program
IRS	Internal Revenue Service

ITAR	Identity Theft Assistance Request
ITIN	Individual Taxpayer Identification Number
ITLA	Interactive Tax Law Assistant
LDC	Lead Development Center
LMS	Lead Management System
LUQ	Large, Unusual, or Questionable
MeF	Modernized e-file
MFJ	Married Filing Jointly
MFT	Master File Tax Account Code
MMIA	Manually Monitored Installment Agreement
MOC	Mode of Contact
MS	Mail Stop
NACHA	National Automated Clearing House Association
NTINDV	Not Individual
OAR	Operations Assistance Request
OCSE	Office of Child Support Enforcement
OIC	Offer in Compromise
OTCnet	Over the Counter Network
PA	Policy and Analysis
P&A	Planning and Analysis
PII	Personally Identifiable Information
PIR	Prior Actions by the IRS
POC	Point of Contact
PPIA	Partial Pay Installment Agreement

PRN	Penalty Reference Number
PS	Process Status
PTC	Premium Tax Credit
PUB	Publication
PY	Prior Year
QRP	Questionable Refund Program
RAC	Refund Anticipation Check
RACS	Revenue Accounting Control System
RAL	Refund Anticipation Loan
RC	Reason Code
R&C	Receipt and Control
RCD	Reduction Completion Date
RCO	Return Charge Out
REPT	Reparation Tax
RGS	Report Generation Software System
RICS	Return Integrity & Compliance Services
RIVO	Return Integrity Verification Operations
RIVPM	Return Integrity Verification Program Management
RO	Revenue Officer
RPC	Return Processing Code
RRP	Return Review Program
RTN	Routing Transit Number
SBSE	Small Business/Self Employed
SC	Source Code

SD	Source Document
SERP	Servicewide Electronic Research Project
SFR	Substitute for Return
SLA	Service Level Agreement
SNOD	Statutory Notice of Deficiency
SP	Submission Processing
SPC	Special Processing Code
SRFM	State Reverse File Match
SSA	Social Security Administration
SSA_ORIS	Social Security Administration Online Reporting System
SSN	Social Security Number
STARS	Scheme Tracking and Referral System
TAC	Taxpayer Assistance Center
TAR	Technical Assistance Request
TAS	Taxpayer Advocate Service
TC	Transaction Code
TCIS	Treasury Check Information System
TE	Tax Examiner
TIGTA	Treasury Inspector General for Tax Administration
TIN	Taxpayer Identification Number
TOP	Treasury Offset Program
TP	Taxpayer
TPP	Taxpayer Protection Program
TS	Taxpayer Services

TT	Toll-Free Tax Technicians
UC	Unit Control Clerk
UCC	Uniform Commercial Code
URC	Unpostable Resolution Code
UP	Unpostable
USPS	United States Postal Service
UTV	Unable to Verify
WI	Wage and Investment
WMS	Workload Management System
WOW	Withholding Only Work
XSF	Excess Collection File

IRM 25.25.1.2.1 - Updated Note regarding the import summary report.

(1) Based on user permissions, the following can be completed with the import function in the BMFIC database:

- **Inventory Creation:** Allows users to import the initial inventory of cases.
- **Inventory Updates:** Allows users to import and update existing cases from the import process.
- **CRX Inventory:** Allows users to import the initial inventory of CRX cases from the import process.
- **Deletions:** Allows users to Import and delete cases in mass.
- **Disaster Zone:** Allows users to import cases and set the disaster zones flags on/off for the imported cases.
- **Closing Actions:** Allows users to import closing actions items to cases.
- **Correspondences:** Allows users to import correspondence or multiple correspondence to existing cases.
- **Import History:** Allows users to view previous import files.

(2) #

[illegible]

#

IRM 25.25.1.3.1 - Removed outdated note. Added "other" referrals and CC NULL.

(1) Once Letter 6042C is sent to the taxpayer, IDRS controls are opened by HQ staff on the specific Master File Tax Account Code (MFT) and tax period to alert other areas of the possible identity theft. HQ staff will send out the initial Letter 6042C and monitor the open control **BIDT** until a response comes in or the case ages 180 days or more. HQ staff also sends out the second Letter 6042C. The initial control base is established when initial letter is sent.

The control base contains the following:

- a. Activity: **POTENTIDT**
- b. Assign-To: **1481055555**
- c. Category: **BIDT**

Note: Cases currently assigned with the previous category code **TPPI** will not be updated to **BIDT**.

- d. Received date: The received date is the date the initial letter was sent.

(2) The remaining procedures in this IRM are generally performed by clerical staff. Any correspondence or undeliverable received in response to Letter 6042C should be treated as follows within 5 business days from correspondence received date:

Note: The clerical staff currently uses a tool to open control bases within IDRS in bulk. The procedures below are listed for manual input when the tool is not available.

Reminder: If manually creating cases in the BMFIC database, the entity information will need to be completed in the **Business & Owner Details** tab.

If	Then
1 fax correspondence is received in response to Letter 6042C.	• Open a new control with the activity code FXMMDDYYYY using CC ACTON or the IAT ACTON Tool. Use the date the correspondence was received the received date field. Note: If multiple responses are received that are not duplicates, a new control will be opened for each one that is received and then closed to the first response control unless the first control is closed. Each piece of correspondence received on different dates that are not duplicate responses need to be controlled into IDRS to record the received dates of each correspondence received. The received date for each one is the date the correspondence was received. ○ Assign- To: Applicable BMF IDT Unit IDRS Number. ○ Category: 6042 Note: Cases currently assigned with the previous category code TPPI will not be updated to 6042. • Update/Add correspondence in the BMFIC database and save. In the Correspondence section:

	○ Date of Correspondence. ○ Correspondence Type: Fax. ○ Response from: Owner (i.e., Cross Reference XREF or Business). ○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.
2 paper correspondence is received in response to Letter 6042C.	• Open a new control with the activity code a new control with the activity code CRMDDYYYY using CC ACTON or the IAT ACTON Tool. Use the date the correspondence was received for MMDDYYYY for the received date field. Note: If multiple responses are received that are not duplicates, a new control will be opened for each one that is received and then closed to the first response control unless the first control is closed. Each piece of correspondence received on different dates that are not duplicate responses need to be controlled into IDRS to record the received dates of each correspondence received. The received date for each one is the date the correspondence was received. ○ Assign-To: Applicable BMF IDT Unit IDRS Number. ○ Category: 6042 Note: Cases currently assigned with the previous category code TPPI will not be updated to 6042. • Update/Add correspondence in the BMFIC database and save. In the Correspondence section: ○ Date of Correspondence. ○ Correspondence Type: Mail Response. ○ Response from: Owner (i.e., XREF) or Business. ○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.
3 Document Upload Tool (DUT) or Digital Inventory Management (DIM) is received in	• Open a new control with the activity code PMDDYYYY using CC ACTON or the IAT ACTON Tool. Use the date the correspondence was

response to Letter 6042C.	received for the received date field. Note: If multiple responses are received that are not duplicates, a new control will be opened for each one that is received and then closed to the first response control unless the first control is closed. Each piece of correspondence received on different dates that are not duplicate responses need to be controlled into IDRS to record the received dates of each correspondence received. The received date for each one is the date the correspondence was received. ○ Assign-To: Applicable BMF IDT Unit IDRS Number. ○ Category: 6042 Note: Cases currently assigned with the previous category code TPPI will not be updated to 6042. • Update/Add correspondence in the BMFIC database and save. In the Correspondence section: ○ Date of Correspondence. ○ Correspondence Type: Portal ○ Response from: Owner (i.e., Cross Reference XREF or Business). ○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.
4 IDRS controls for Form 4442 referrals.	• Activity: REF/4442 • Received date is the date the Form 4442 was received. • Category code TPPI or NULL Note: The clerks tool is unable to use TPPI for 4442 referrals. TPPI will be used for manually inputting the IDRS control. • Assign-To: Applicable BMF IDT Unit IDRS Number.
5 IDRS controls for Taxpayer Advocate Service (TAS) Operations Assistance	• Activity: TAS/OAR • Received date is the date the Referral was received. • Category code TPPI or NULL Note: The clerks tool is unable to use TPPI for OAR's. TPPI

Request (OAR)	will be used for manually inputting the IDRS control. Assign-To: Applicable BMF IDT Unit IDRS Number.
6 IDRS Controls for other referral types not listed above. (Form 14566, etc..)	- Activity: Referral - Received date is the date the Referral was received. - Category code NULL - Assign-To: Applicable BMF IDT Unit IDRS Number.
7 undeliverable correspondence is received in response to Letter 6042C.	- Add correspondence in the BMFIC database and save. In the Correspondence section: - Date of Correspondence. - Correspondence Type: Undeliverable. - Response from: Owner (i.e., XREF) or Business. - Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. - URL (optional field): URL link to scanned image.

(3) Correspondence or referrals received from another area (e.g., Taxpayer Advocate Service (TAS) Operations Assistance Request (OAR), see IRM 25.30.8-1, W&I SLA Addenda (Refund Integrity and Compliance Service Addendum), to view the Service Level Agreement, Form 4442, Inquiry Referral, e-mail, etc.) relating to a return selected by RICS for potential BMF IDT review should be updated/added in the BMFIC database within 5 business days from receipt and worked following normal case processing procedures.

Exception: TAS OARs identified as **Expedite** must be acknowledged within one workday and a decision made within three days on whether the recommended action(s) can be taken. - Per Service Level Agreement (SLA) between TAS and Taxpayer Services (TS).

Note: During periods of high volume, adjustments to inventory control time frames outlined in this IRM section will be coordinated and adjusted by management and HQ as needed.

(4) Once IDRS controls and BMFIC are updated to reflect the receipt of the correspondence, assign case for processing:

If	Then
1 IDRS control shows the 1481055555 number or generic BMF IDT Units IDRS number.	BMFIC must be updated to assign case prior to the case being closed.

2 IDRS control shows a BMF IDT Technicians IDRS number.	• Update the BMFIC database and assign case to the BMF IDT Technicians SEID/Name. • Route correspondence to the technician if case is not scanned into RIVO Repository.
3 IDRS control shows a Frivolous Return Program (FRP) Technicians IDRS number but not a BMF IDT Technician or Units IDRS number.	• Open a new IDRS control to a BMF IDT Units IDRS number. • BMFIC must be updated to assign the case prior to the case being closed.

(5) If a RIVO IDRS control is opened in error, close the control as **MISC**. If the IDRS control was established with the incorrect information, update the control using **CC ACTON** or the **IAT ACTON Tool**. Controls that have already been closed cannot be reopened or updated.

IRM 25.25.1.3.2 - Routing reconsiderations, link to POC listing, when IDRS controls are needed, TC973 suspense file expiring and expedited procedures.

(1) # [REDACTED]

I [REDACTED]
 I [REDACTED]

[REDACTED]

I [REDACTED]
 I [REDACTED]
 I [REDACTED]

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[REDACTED] #

(2) Document the findings on Account Management Services (AMS) and in BMFIC that support the case determination made. #

[REDACTED] # Refer to IRM 25.23.9, Business

Master File (BMF) Identity Theft Processing, for guidance on conducting necessary research and determining if the entity is legitimate.

(3) #

[REDACTED]

i

i

[REDACTED]

[REDACTED]

[REDACTED]

- I [REDACTED]
- I [REDACTED]
- I [REDACTED]
- I [REDACTED]
- I [REDACTED]
- I [REDACTED]

[REDACTED] #

(4) # [REDACTED]

- I [REDACTED]

[REDACTED]

[REDACTED]

- I [REDACTED]
- I [REDACTED]
- I [REDACTED]

[REDACTED]

•

(5) Any forms attached to the correspondence will be processed using established procedures. Refer to IRM 25.25.1.6, Routing/Referrals, for more information.

Note: Responses requesting changes to the business entity (e.g., address change, business name change, responsible party, or XREF taxpayers showing as deceased, updates) must include Form 8822-B, Change of Address or Responsible Party-Business. Route complete responses to Entity for processing. For responses requesting changes and DO NOT contain the completed form OR when a TE identifies the business entity information is outdated in the course of conducting case research, issue Letter 6217C advising the business to file a completed Form 8822-B. **DO NOT** update the business's entity information. More information about letter scenarios and letter fill in's, see the RIVO SERP Portal: Letter 6217C Guidelines for BMF IDT Program.

Exception: If the original return is an IDT return, research account to determine if the address has been changed by the posting of that return. If the address has been updated, change the address back to the correct business address.

(6) If the TIN contains multiple unresolved tax periods with an open BMFIC case, the tax examiner must resolve them all. Each return must be worked separately as there may be multiple determinations.

- a. Cases that have not received a letter 6042C response and are under 180 days old can be worked based on a 6042C response that was issued from another tax period(s). Each return selected requires individual research prior to making a determination.
- b. Complete case processing for each tax module using IRM case processing procedures.
- c. If any tax module(s) is assigned to another BMF IDT tax examiner, contact that tax examiner to coordinate reassigning the case(s) and/or coordinate proper closing actions.

Note: If you determine other tax modules selected for BMF IDT review contain incomplete processing, take necessary actions to resolve the tax modules.

(7) A return or correspondence received in response to another notice can be used in a case determination if the response and account research provides enough information to validate the suspended returns legitimacy. For example, a return or correspondence received in response to a CP 080B, Reminder - We Have Not Received Your Return, Credits May be on Your Account CP 259, Business Master File (BMF) Generated - First Taxpayer Delinquency Investigation (TDI) Notice, or other similar notice requesting a return to be filed and the original return is being held for BMF IDT review. If you cannot validate the suspended return without more information from the taxpayer, refer to IRM 25.25.1.3.2.3, Reissue Letter Request,

and follow procedures for reissuing a letter to obtain more information for case processing.

Note: If a return is received containing a live signature, you cannot destroy that return. It must be sent to files.

(8) For more information relating to specific BMF forms refer to:

- a. IRM 21.7.2, 21.7.2 Employment and Railroad Tax Returns (e.g., Form 941, Employer's Quarterly Federal Tax Return, Form 943, Employer's Annual Tax Return for Agricultural Employees, Form 944, Employer's ANNUAL Federal Tax Return, and Form 945, Annual Return of Withheld Federal Income Tax).
- b. IRM 21.7.3, Unemployment Taxes (e.g., Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return).
- c. IRM 21.7.4.4, Income and Information Returns Procedures (e.g., Form 1041, U.S. Individual Income Tax Return, Form 1065, U.S. Return of Partnership Income, and Form 1120, U.S. Corporation Income Tax Return, series returns).
- d. IRM 21.7.1.4.4.4, Excise Taxes (e.g., Form 720, Quarterly Federal Excise Tax Return).

(9) If the case you are working was previously worked but reopened or more response information is received, review case to ensure all applicable actions were taken properly and proceed as follows:

- a. If case corrections are necessary, follow existing IRM procedures to resolve any issues and close the case. An IDRS control will need to be established. The received date will be the date that the case was reopened. The activity and category code should be based on what was received to reopen the case. Refer to IRM 25.25.1.3.1, Establishing a Case for BMF Identity Theft.
- b. If no corrections or other updates are needed, close the BMF IDT IDRS control base with activity: CLDPRVACT and ensure the BMFIC case is closed using the same Closing Action that was used previously. Include in your closure comments that the case was previously worked. An IDRS control is not needed for **previous action** closures.

(10) Every attempt will be made to work correspondence within 30 days from correspondence received date.

(11) Each individual selected return must be reviewed to determine if that return is IDT or not, regardless of a TC 150 is posted on the tax module or if another related case shows worked in BMFIC previously. All proper case processing actions, including addressing the IDT selection indicator on the account, must be completed when the case is closed.

(12) Account research includes researching the selected returns DLN to determine if that return is a mixed entity or mixed period return to ensure the proper case

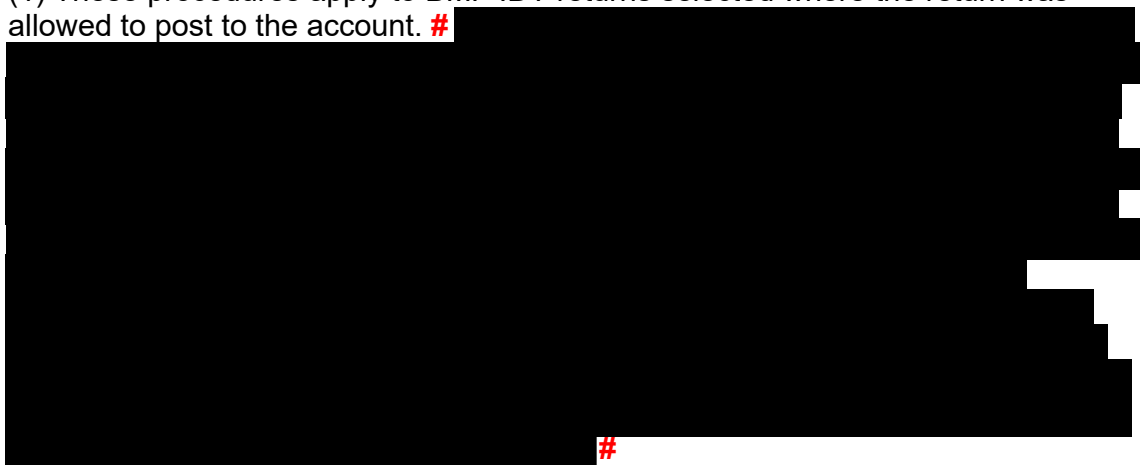
processing actions are completed on all associated tax modules for that same return.

(13) When researching cases or accounts to complete case processing, if a case is found to have been worked incorrectly, corrective actions must be taken to correctly close case based on correct case determination made.

Note: If a BMF IDT IDRS control base was opened in error, close the control base using **MISC** as category code

IRM 25.25.1.3.2.1 - Added TC 811 procedures, TC 971/522 input with no tax modules.

(1) These procedures apply to BMF IDT returns selected where the return was allowed to post to the account. #



(2) Complete all necessary account research prior to taking any account actions. Refer to IRM 25.25.1.3.2, Case Processing, for more information and references to use as a research guide.

(3) #



- I 
- I 

[REDACTED] [REDACTED] [REDACTED] [REDACTED] Note: # [REDACTED] [REDACTED]	[REDACTED] • # [REDACTED] • # [REDACTED] Note: # [REDACTED] Caution: # [REDACTED] [REDACTED]
# 2 [REDACTED] Exception: # [REDACTED] [REDACTED] Note: # [REDACTED] [REDACTED]	• # [REDACTED] • # [REDACTED] • # [REDACTED] • # [REDACTED] Note: # [REDACTED] • # [REDACTED]

(6) Any referral sent to SBSE as outlined in scenarios 1 & 2 above must meet the following criteria or one of the exceptions outlined below. Refundable credits include the following form line items:

- CREDIT QLFY COVID SICK FAMIL (e.g., F941 Line 11b; F943 Line 12b; F944 Line 8b)
- CREDIT COVID EMPL RTNTN (e.g., F941 Line 11c; F943 Line 12c; F944 Line 8c)
- CRDT QUAL SCK AND LV WGS (e.g., F941 Line 11d; F943 Line 12d; F944 Line 8d)
- NONRFNDBLE COBRA AST CREDIT (e.g., F941 Line 11e; F943 Line 12e; F944 Line 8e)
- RFDBL COVID SICK FAMILY AMT (e.g., F941 Line 13c; F943 Line 14d; F944 Line 10d)
- RFDBL EMPL RTNTN CR COVID (e.g., F941 Line 13d; F943 Line 14e; F944 Line 10e)
- RFDBL CRDT QSF AFTER MARCH (e.g., F941 Line 13e; F943 Line 14f; F944 Line 10f)
- RFDBL COBRA PREM AST CREDIT (e.g., F941 Line 13f; F943 Line 14g; F944 Line 10g)

Note: #

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Exception: Threshold above does not apply to returns claiming refundable credits that are part of a known IDT or fraud scheme (HQ provided details to identify those). All those returns must be referred to SBSE regardless of total in refundable credits claimed.

Exception: If a business entity has any one tax period return meeting the threshold above, then all associated tax period returns must also be referred to SBSE

IRM 25.25.1.3.2.2 - Corrected link to IRM 25.23.9-4. TC 971/522 input with no tax modules on file. Updated guidelines when no TC 973 is posted.

(1) These procedures apply to BMF IDT returns selected where the return was placed into a suspense file and will not post to the account. #

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(2) These selected returns are suspended instead of posting to the account. A TC 971 AC 711 is posted to the account causing the return to post as a TC 973 and it will remain suspended until the taxpayer validates the return.

(3) The return posting as the TC 973 will be suspended for a period up to three years from the cycle the TC 973 posted in. If the return has not been validated within those three years, it will be deleted from the suspense file.

Note: Three-year suspension period is 156 cycles (weeks) from the cycle the TC 973 posted in. Refer to Document 5657, Enterprise Computing Center - MTB Posting Cycle Calendar, for posted cycle information.

(4) If 12 weeks have passed from the posted TC 971 AC 711 date and the TC 973 has not posted. take the following actions:

- Input TC 972 AC 711. Refer to IRM 25.25.1.3.3.4 , Input of TC 972 AC 711, for proper input.
- Close the IDRS control with activity code **ERRCNTRL** and update the category code to **BIDT**.
- Notate in BMFIC **No TC 973 posted. TC 972 AC 711 input**. Close the case using **NOIDT** as the closure type.

(5) Complete all necessary account research prior to taking any account actions. Refer to IRM 25.25.1.3.2, Case Processing for BMF Identity Theft, for more information and references to use as a research guide.

(6) # [REDACTED]

I [REDACTED]

[REDACTED]

I [REDACTED]

I [REDACTED]

I [REDACTED]

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

(7) If the determination made does not result in ID Theft or a fabricated entity, follow the chart below:

If	Then
# [REDACTED] # [REDACTED] • # [REDACTED] # [REDACTED] • # [REDACTED] # [REDACTED] • # [REDACTED]	• # [REDACTED] [REDACTED] [REDACTED] [REDACTED]

# Note: For a list of refundable credits and form line items, refer to IRM 25.25.1.3.2.2 (8).	# • # • # Note: # • # • # • # Note: # Caution: # Note: # Note: #
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	#
# # Note: For a list of refundable credits and form line items, refer to IRM 25.25.1.3.2.2 (8) .	• # # Note: # # Caution: # # • # • # # • #

	Note: # # • # • # # • # # Caution: # # Note: For statute year returns, see IRM 25.25.1.3.2.7, Statute Procedures for RICS BMF IDT Note: # #
# # 	• #

#	# # #
#	• # # #

	#

(8) # [REDACTED] #

(9) Any referral sent to SBSE as outlined in scenarios 1 & 2 above must meet the following criteria or one of the exceptions outlined below. Refundable credits include the following form line items:

- CREDIT QLFY COVID SICK FAMIL (e.g., F941 Line 11b; F943 Line 12b; F944 Line 8b)
- CREDIT COVID EMPL RTNTN (e.g., F941 Line 11c; F943 Line 12c; F944 Line 8c)
- CRDT QUAL SCK AND LV WGS (e.g., F941 Line 11d; F943 Line 12d; F944 Line 8d)
- NONRFNDBLE COBRA AST CREDIT (e.g., F941 Line 11e; F943 Line 12e; F944 Line 8e)
- RFDBL COVID SICK FAMILY AMT (e.g., F941 Line 13c; F943 Line 14d; F944 Line 10d)
- RFDBL EMPL RTNTN CR COVID (e.g., F941 Line 13d; F943 Line 14e; F944 Line 10e)
- RFDBL CRDT QSF AFTER MARCH (e.g., F941 Line 13e; F943 Line 14f; F944 Line 10f)
- RFDBL COBRA PREM AST CREDIT (e.g., F941 Line 13f; F943 Line 14g; F944 Line 10g)

Note: Line number references above are from Form 941 (Rev. 6-2021); Form 943 (2021); Form 944 (2021) therefore they may differ from other form versions.

Exception: # [REDACTED]

#

Exception: # [REDACTED]

#

IRM 25.25.1.3.2.4 - TC 811 procedures. Updated guidelines when no TC 973 is posted.

(1) # [REDACTED]

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(2) If 12 weeks have passed from the posted TC 971 AC 711 date and the TC 973 has not posted. take the following actions:

- Input TC 972 AC 711. Refer to IRM 25.25.1.3.3.4 , Input of TC 972 AC 711, for proper input.
- Close the IDRS control with activity code **ERRCNTRL** and update the category code to **BIDT**.
- Notate in BMFIC **No TC 973 posted. TC 972 AC 711 input**. Close the case using **NOIDT** as the closure type.

(3) If the taxpayer does not respond to either the initial or reissued Letter 6042C requests for more information and it has been **180 days** since the initial letter was sent, the case will be moved to a workable status within the BMFIC database. Once the case is assigned to a TE, research must be conducted to determine validity of the return.

(4) If unable to determine validity of return without a response from the taxpayer, the case will be closed as a no reply case, which includes:

- a. Closing open IDRS BMF IDT control bases.

Note: If the IDRS control **BIDT** or **TPPI** is no longer open or no longer shows on Master File, use **CC TXMODA** to open a new control. Use the following information: Activity Code **POTENTIDT** with Category Code **BIDT**. The received

- b. Taking applicable account actions.
- c. Updating/closing case in the BMFIC database.

(6) Returns selected for RICS review that have posted with a TC 971 AC 711 will not be processed without proper validation. Refer to IRM 25.25.1.3.2.2, Selected Returns - Not Posted as TC 150, for procedures to follow.

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[illegible]

- a. Whether or not a TC 150 is posted.
- b. Whether or not a tax liability is claimed on the return.
- c. If return needs to be reprocessed as the original return or if an adjustment to tax is necessary.
- d. The original due date of the tax return, refer to Document 6209 Section 2, Tax Returns and Forms, 3 - Due Date of Returns .
- e. The received date of the tax return. For electronically filed returns, you will use the **IRS received date** listed on Modernized E-File (MeF) return record in Employee User Portal (EUP). For paper returns, you will use a **valid IRS stamped received date or an IRS handwritten received date**. Refer to IRM 3.11.3.8.2, Determining the Received Dates, for more information.

Note: There are multiple IRM references that can be used to address determining the correct received date. This list is not all inclusive. IRM 25.6.1.6.15, When a Document is treated as filed under the IRC, IRM 20.1.2.2.1.3, Timely Filing Consideration for Electronic Returns.

(3) If the return posted is determined to be an ID theft return, DO NOT leave the return on the account. The account must be corrected. Refer to IRM 25.23.9.9, Account Actions and IRM 25.23.9.9.5, Statute Implications, for more information.

(4) # [REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
	[REDACTED]
	[REDACTED]
	[REDACTED]

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(5) Tax Examiners must reprocess returns deemed belonging to the EIN that were archived/deleted. Follow the chart below to determine necessary actions for statute imminent or statute barred needing to be processed as original returns:

If...	Then...
1 - The ASED is greater than 180 days Caution: Statute year returns meeting these conditions must be sent to the RIVO BMF Statute Coordinator to be statute cleared.	- Follow procedures in IRM 25.25.1.3.3.2, Reprocessing Returns, to secure, edit, and send return to the RIVO BMF Statute Coordinator to be statute cleared. Once cleared the TE will route the return to SP for reprocessing. - Close case using existing procedures outlined in IRM 25.25.1, Return Integrity and Verification Operation Business Master File Procedures.
2 - ASED Statute Imminent: The ASED is within 180 days or less=== and no TC 150 on the module with a tax liability greater than zero claimed on the return.	- Input TC 971 AC 712. See IRM 25.25.1.3.3.3, Input of TC 971 AC 712, 971 AC 713, or 971 AC 717. - Complete all TE steps outlined in IRM 25.25.1.3.2.7.1, BMF Statute Referral Procedures, to route case to RIVO BMF Statute Coordinator for statute clearance or Quick/Prompt Assessment procedures to be followed due to imminent ASED. The TE will receive the case back after the Quick/Prompt Assessment posts to the account to complete their case if more actions are needed.
3 - ASED Statute Barred: The ASED has expired and the return has a tax liability greater than zero claimed on the return.	- Input TC 972 AC 711. IRM 25.25.1.3.3.4, Input of TC 972 AC 711. - Do not send the return to processing. - Complete all TE steps outlined in IRM 25.25.1.3.2.7.1, BMF Statute Referral Procedures, to route case to RIVO BMF Statute Coordinator for Barred Assessment procedures to be followed due to the expired ASED.

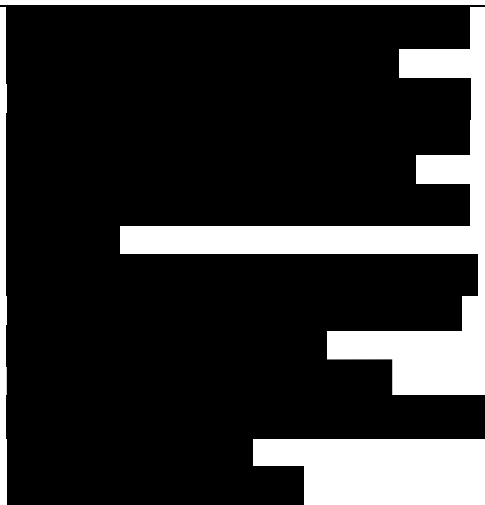
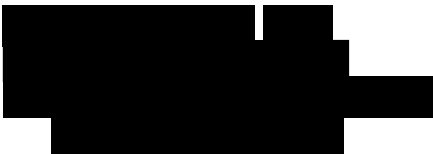
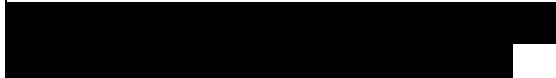
IRM 25.25.1.3.2.8 - Moved from IRM 25.25.1.3.5, Processing Incoming Referrals for BMF Identity Theft

(1) Types of referrals sent to the BMF ID Team:

- Operation Assistance Requests (OAR)
- Form 4442 (paper version)
- e4442 (electronic version sent through AMS)
- Form 14566, BMF Identity Theft Referral

(2) Referrals received requesting a reconsideration for prior determinations, follow IRM 25.25.1.3.2.9, BMF IDT Reconsideration to process the request.

(3) # [REDACTED]

[illegible]

		[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]

		• [REDACTED] • [REDACTED]
		[REDACTED]
		• [REDACTED] • [REDACTED]
		[REDACTED]
		• [REDACTED] • [REDACTED]
		[REDACTED]
		• [REDACTED] • [REDACTED]
		[REDACTED]
		• [REDACTED] • [REDACTED]
		[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

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IRM 25.25.1.3.2.9 - New section for Reconsideration procedures for BMF IDT Teams.

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[illegible]

	• [REDACTED] █ [REDACTED] [REDACTED] [REDACTED] [REDACTED] █ [REDACTED] [REDACTED] █ [REDACTED]
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IRM 25.25.1.3.3.2 - Updated CC ESTAB job aid link and information about ESTAB.

(1) If no TC 150 posted, the TC 971 AC 711 and TC 973 posted but the TC 973 has been deleted from the suspense file because it has been more than three years since the cycle the TC 973 posted in and you need return posted, the return must be secured and sent to be reprocessed.

Note: Three-year suspension period is 156 cycles (weeks) from the cycle the TC 973 posted in. Refer to Document 5657, Enterprise Computing Center - MTB Posting Cycle Calendar, for cycle information.

(2) Prior to sending return to Submission Processing (SP) to be reprocessed, you must reverse the TC 971 AC 711 as applicable, allowing the return to post. See IRM 25.25.1.3.3.4, Input of TC 972 AC 711, for proper reversal.

Note: If a return sent to be reprocessed is selected again by a BMF IDT filter, then a TC 971 AC 712/713 can be input to post the reprocessed return. Use the TC 973 DLN of the reprocessed return only if you can clearly determine that return is the reprocessed return and are certain the original received date is shown on the reprocessed return.

(3) Review the return for statute conditions, refer to IRM 25.25.1.3.2.7, Statute Procedures for RICS BMF IDT, and take any necessary actions.

(4) Secure return that requires reprocessing:

- a. If return was electronically submitted, print Employee User Portal (EUP) return and have it processed as paper using the original received date. Use the **IRS received date** listed on Modernized E-File (MeF) return as original received date.
- b. If return was filed by paper, ESTAB the TC 973 and have it reprocessed using the original received date. Use earliest received date as original received date. See IRM 3.11.3.8.2, Determining the Received Dates, for more information. Two attempts to secure a copy of the return can be made waiting 21 days in between requests (30 days for out of campus requests). If a copy of the return still has not been secured, prepare Form 2275 requesting a special search to route to your lead and send the Letter 6217C to the taxpayer requesting a copy of the tax return. The case will need to be

monitored to allow 45 days for a response to the Letter 6217C or a response from files regarding the special search request. Refer to Document Request - CC ESTAB for more information on document requests and special searches. More information about letter scenarios and letter fill in's, see the RIVO SERP Portal: Letter 6217C Guidelines for BMF IDT Program

Note: You may use a copy of the return if available and the return is a true duplicate of the return you need reprocessed. Ensure to edit the return properly for reprocessing. If you are unable to obtain a copy of paper return by ESTAB, Letter 6217C request response, or from another IRS system such as AMS CII image then a **dummy** return will need to be prepared and sent to processing. See IRM 21.5.2.4.23.11, Reprocessing Dummy Returns, for more information. A **dummy** return should only be prepared as a last resort.

(5) Edit all BMF tax returns in green:

- a. Line through the original DLN so a new DLN will be assigned during processing.

Note: On e-file prints secured through EUP, you must line through the DLN and "e-file GRAPHIC print-DO NOT PROCESS."

- b. Write **Process as Original** or **Dummy Return** on the top of return.

Note: Dummy Return is used for Barred Statute case situations, refer to supplemental guidance for those cases.

- c. Ensure the original received date is stamped or written on return.
- d. Write **Do Not Correspond for a Signature** below the signature line when reprocessing a return copy.
- e. Circle out **Copy** or **Duplicate** if present when reprocessing a return copy.
- f. If the return was **E** coded, circle out the **E** code on the return.

(6) Returns being sent to Receipt and Control (R&C) for reprocessing that meet FRP criteria or are a fraudulent Form 941, Form 943, or Form 944 return being referred to SBSE require the following procedures to ensure the return is reprocessed and the refund is held pending FRP or SBSE review:

- a. Make a copy of the edited return to route to FRP. This step is not applicable to cases being referred to SBSE.
- b. Attach Form 4227, Intra-SC Reject or Routing Slip, containing the following information:
 - Enter **RICS BMF IDT M/S 9002** in the Name-Unit box
 - Check **Reject Correction** box
 - Check **Other Activity (explain)** box and enter **Attention Lead**
 - Check **Other (explain)** box and enter: **CCC X, 331**. Do not allow refund.
 - When completed, return to FRP M/S 4450.

Note: For returns being referred to SBSE only, check **Other (explain)** box and enter: **CCC X, 331**. Do not allow refund.

- c. Route copy of the edited return along with the original response correspondence received to FRP. Specify on router you are attaching copy of edited return already sent to be reprocessed and why you believe return meets FRP criteria. This step is not applicable to cases being referred to SBSE.

(7) Refer to IRM 21.5.2.4.23.7, Coding and Editing Procedures, for required actions when sending a return to be reprocessed. Also refer to IRM 21.5.2.4.23.1, Reprocessing Electronic Returns, for more information.

(8) When sending a return to be reprocessed, follow procedures below:

- a. Add an IDRS history item activity of H, **RTN2PROC** to the tax module.
- b. Open new IDRS control base using **MISC** as category code and activity of **PENDTC150**
- c. Monitor tax module to ensure reprocessed return posts correctly to the account. If return doesn't post within 16 weeks from when it was sent to be reprocessed, elevate to the Technical Lead to determine the actions necessary to post the return. Once return is posted correctly to the account, close the **MISC** control base.

Note: If reprocessed return (generally contains DLN beginning with 85) gets caught in BMF IDT filter selection process, post the reprocessed return as the original using applicable TC / AC combo as outlined in existing IRM procedures.

(9) When sending a statute imminent return to be processed or reprocessed as the original return, refer to IRM 25.25.1.3.2.7, Statute Procedures for RICS BMF IDT. On the router list "Statute Imminent, Please Expedite" as the reason for referral.

IRM 25.25.1.3.3.5 - Added Responsibility code 7 and updated 6.

(1) # [REDACTED]

! [REDACTED] #

(2) # [REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED] #

(3) # [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] #

IRM 25.25.1.3.5 - Moved to IRM 25.25.1.3.2.8

IRM 25.25.1.4 - Added that notes should never contain IRS employees names.

(1) The following Letter 6042C response and other information must be included in both BMFIC and AMS:

- Results of verification performed on the response information provided (e.g., response lists number of Form W-2's submitted. Does that match our records in IDRS?)
- Summary of the research conducted to support the determination made.
- # [REDACTED]

[REDACTED] #

Note: #

[REDACTED] #

Exception: Documentation/Final Determination requirements for AMS input do not apply to case closures completed in bulk by HQ staff only.

(2) The following Letter 5263C response and other information must be included in both BMFIC and AMS:

- Results of verification performed on the information provided. (e.g., response lists number of Form W-2's submitted. Does that match our records in IDRS?).
- Summary of the research conducted to support the determination made.
- # [REDACTED]

[REDACTED] #

Note: #

[REDACTED] #

Exception: Documentation/Final Determination requirements for AMS input do not apply to case closures completed in bulk by HQ staff only.

(3) Responses received that are not a written reply to Letter 5263C should be documented thoroughly in both BMFIC and AMS. At minimum, the following information must be included:

- What was received.
- Who submitted the response.
- What information provided in the response was used to validate the return filing.
- Summary of the research conducted to support the determination made.
- Final determination based on the response received and research conducted. With regard to documenting research conducted, detailed information relating to specific research should be recorded in BMFIC but excluded from being recorded in AMS.

Note: #

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IRM 25.25.1.5.1 - Removed outdated note. Added CC NULL, DIM/DUT and other types of referrals.

(1) Once Letter 5263C is sent to the taxpayer, IDRS controls are opened on the entity account to alert other areas of the possible fabricated entity. This initial control base is only established when initial letter is sent. The control base contains the following:

- a. Activity - **POTENTEF**
- b. Assign-To - **1481400000**
- c. Category - **P-EF**

Note: Cases currently assigned with the previous category code **TPPI** will not be updated to **P-EF**.

(2) #

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(3) Any correspondence or undeliverable received in response to the Letter 5263C will be stamped received and within 5 business days from correspondence received date should be treated as follows:

Note: The clerical staff currently uses a tool to open control bases within IDRS in bulk. The procedures below are listed for manual input when the tool is not available.

Reminder: If manually creating cases in the BMFIC database, the entity information will need to be completed in the **Business & Owner Details** tab.

If	Then
1 fax correspondence is received in response to Letter 5263C.	• Open a new control with the activity code FXMMDDYYYY using CC ACTON or the IAT ACTON tool. Use the date the correspondence was received for the received date field. Note: If multiple responses are received that are not duplicates, a new control will be opened for each one that is received and then closed to the first response control unless the first control is closed. Each piece of correspondence received on different dates that are not duplicate responses need to be controlled into IDRS to record the received dates of each correspondence received. • Assign-To: Applicable EF Unit IDRS Number. • Category: 5263 Note: Cases currently assigned with the previous category code TPPI will not be updated to 5263. • Update/Add correspondence in the BMFIC database and save. In the Correspondence section: ○ Date of Correspondence. ○ Correspondence Type: Fax. ○ Response from: Owner (i.e., XREF) or Business. ○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.
2 paper correspondence is received in response to Letter 5263C.	• Open a new control with the activity code CRMMDDYYYY using CC ACTON or the IAT ACTON tool. Use the date the correspondence was received for the received date field. Note: If multiple responses are received that are not duplicates, a new control will be opened for each one that is received and then closed to the first response control unless the first control is closed. Each piece of correspondence received on different dates that are not duplicate responses need to be controlled into IDRS to record the received dates of each correspondence

	received. • Assign-To: Applicable EF Unit IDRS Number. • Category: 5263 Note: Cases currently assigned with the previous category code TPPI will not be updated to 5263. • Update/Add correspondence in the BMFIC database and save. In the Correspondence section: ○ Date of Correspondence. ○ Correspondence Type: Mail Response. ○ Response from: Owner (i.e., XREF) or Business. ○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.
3 Document Upload Tool (DUT) or Digital Inventory Management (DIM) is received in response to Letter 5263C.	• Open a new control with the activity code PMMDDYYYY using CC ACTON or the IAT ACTON Tool. Use the date the correspondence was received for the received date field. Note: If multiple responses are received that are not duplicates, a new control will be opened for each one that is received and then closed to the first response control unless the first control is closed. Each piece of correspondence received on different dates that are not duplicate responses need to be controlled into IDRS to record the received dates of each correspondence received. The received date for each one is the date the correspondence was received. ○ Assign-To: Applicable EF Unit IDRS Number. ○ Category: 5263 Note: Cases currently assigned with the previous category code TPPI will not be updated to 5263. • Update/Add correspondence in the BMFIC database and save. In the Correspondence section: ○ Date of Correspondence. ○ Correspondence Type: Portal ○ Response from: Owner (i.e., Cross Reference XREF or Business).

	○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.
4 IDRS controls for Form 4442 referrals.	• Activity: REF/4442 • Received date is the date the Form 4442 was received. • Category code TPPI Note: The clerks tool is unable to use TPPI for 4442 referrals. TPPI will be used for manually inputting the IDRS control. • Assign-To: Applicable EF Unit IDRS Number.
5 IDRS controls for Taxpayer Advocate Service (TAS) Operations Assistance Request (OAR)	• Activity: TAS/OAR • Received date is the date the Referral was received. • Category code TPPI Note: The clerks tool is unable to use TPPI for OAR's. TPPI will be used for manually inputting the IDRS control. • Assign-To: Applicable EF Unit IDRS Number.
6 IDRS Controls for other referral types not listed above. (Form 14566, 14039-B. etc..)	• Activity: TAS/OAR • Received date is the date the Referral was received. • Category code NULL • Assign-To: Applicable EF Unit IDRS Number.
7 undeliverable correspondence is received in response to Letter 5263C.	• Add correspondence in the BMFIC database and save. In the Correspondence section: ○ Date of Correspondence. ○ Correspondence Type: Undeliverable. ○ Response from: Owner (i.e., XREF) or Business. ○ Printed Letter Date (optional field): Date printed on the letter mailed that was received back with response. ○ URL (optional field): URL link to scanned image.

(4) Correspondence or referrals received from another area (e.g., Taxpayer Advocate Service (TAS) Operations Assistance Request (OAR), Form 4442, e-mail, etc.) through the # [REDACTED] # mailbox should be updated/added in the

BMFIC database within 5 business days from receipt and worked following normal case processing procedures.

Exception: TAS OARs identified as "Expedite" must be acknowledged within one workday and a decision made within three days on whether the recommended action(s) can be taken, per the Service Level Agreement (SLA) between TAS and Taxpayer Services (TS).

Note: During periods of high volume, adjustments to inventory control time frames outlined in this IRM section will be coordinated and adjusted by management and HQ as needed.

(5) Once IDRS controls and BMFIC are updated to reflect the receipt of the correspondence, assign the correspondence to an EF Technician for review as follows:

If	Then
1 IDRS control shows the 1481400000 number.	• Reassign the IDRS control to the EF Technicians number. • Update the BMFIC database and assign case to the EF Technicians SEID/Name. • Route the correspondence to the technician.
2 IDRS control shows an EF Technicians IDRS number.	• Update the BMFIC database and assign case to the EF Technicians SEID/Name. • Route the correspondence to the technician.
3 IDRS control shows a FRP Technicians IDRS number but not an EF Technician.	• Open a new IDRS control to an EF Technician's number. • Update the BMFIC database and assign case to the EF Technicians SEID/Name. • Route the correspondence to the technician.

IRM 25.25.1.5.2 - Record information from CC ENMOD, CC UPTIN guidance. Ensure the TC 973 suspense period is not expired or expiring.

(1) It is essential to research multiple platforms and review the research as a whole prior to making a determination, including research of the XREF SSN associated with the case's EIN and verification of any answers provided in a letter correspondence received.

[REDACTED] #
[REDACTED]

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

Note: Add related EINs into the BMFIC database, create a correspondence record and select **Related Case** for the **Correspondence Type** field. This will make the case workable. Ensure the case is assigned to yourself to resolve. Adding a note in the BMFIC database is optional for this scenario only. If the

TE inputs a note, it is recommended to list the EIN it is related to. **Do not list any SSNs.**

Reminder: #

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Research the following in the BMFIC Database:

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(2) Any forms attached to the correspondence will be processed using established procedures. Refer to IRM 25.25.1.6, Routing/Referrals, for more information.

Note: Responses requesting changes to the business entity (e.g., address change, business name change, responsible party, or XREF taxpayers showing as deceased, updates) must include Form 8822-B. Route complete responses to Entity for processing. For responses requesting changes and DO NOT contain the completed form, issue Letter 6217C advising the business to file a completed Form 8822-B. **DO NOT** update the business's entity information.

More information about letter scenarios and letter fill in's, see the RIVO SERP Portal: Letter 6217C Guidelines for Entity Fabrication Program.

(3) If the account is determined to be Fabricated, update the Sort Name in IDRS to POTENTIAL FAB EIN. Use IDRS CC ENREQ to complete this update. See the job aid on the SERP Portal for more information on how to update the Sort Name Updating Sort Name for Entity Fabrication. See the **if and then** chart located in IRM 25.25.1.5.2.1, Letter 5263C Response Received for other account actions that may need to be considered.

Reminder: Input a BMFIC note that records the current filing requirements and the Sort name line. Document the Research and determination made.

(4) For referrals received from RIVO BMF IDT, review case notes and correspondence to help with research. If it is determined the account is **not** a Fabricated Entity, the **TC 971-524** check box must be deselected from all associated BMF IDT cases in BMFIC as part of the closing actions.

Note: If the account needs to be locked but is not a Fabricated Entity, update the **Other Account Lock TC 971-524** checkbox on the Entity Fabrication tab. Refer to IRM 25.23.9-1(3), Transaction Code (TC) 971 Action Code (AC) 5XX - MISC Codes. Add the suggested 971-524 MISC code in the **Owner Phone Type** field on the Business & Owner Details tab in BMFIC and a case note that includes the current filing requirements.

(5) Every attempt will be made to work correspondence within 30 days from correspondence received date.

Note: # [REDACTED]
[REDACTED] **#**

Example: # [REDACTED]
[REDACTED] **#**

(6) Periodically Entity Fabrication inventory will be reviewed and processed en masse. When this occurs, some of the normal closing actions may not be performed. These actions include but are not limited to:

- Updating the Electronic Fraud Detection System (EFDS) Mode of Contact (MOC) and notes.
- Inputting Account Management Services (AMS) Standard Notes.

Note: When these accounts are determined fabricated, Headquarter (HQ) analysts will submit a ticket to update the EFDS MOC to 'Suspicious' and add the Standard. **Caution: All IDRS and BMFIC actions must be taken.**

(7) EINs with associated Individual Master File (IMF) returns remaining in the EFDS disposition "Ace Collections" or Process Status (PS) 31, at the end of the year when EFDS goes offline will be identified using the 'Other Review' checkbox in BMFIC. The following note will be placed in BMFIC "IMF returns remain in PS 31 for this EIN for the YYYY (YYYY = year return was placed in PS 31) tax year and must be treated." Proper actions must be taken based on determination while performing closing actions.

Note: This may include manually releasing the refund in IDRS or taking actions to manually refer and mass push the return(s) to scheme as final determinations are made when working these cases to completion.

IRM 25.25.1.5.2.1 - TC811 procedures. TC 971/524 for 'other' determination types. Changed IDTCLM to CLSIDT. Referrals for IDT.

(1) Document the findings on AMS, EFDS and in the BMFIC database that support the case determination made. # [REDACTED]

[REDACTED]. Refer to IRM 25.23.9-7, BMF Identity Theft Research Requirement, for more guidance on conducting necessary research and determining if the entity is legitimate.

(2) # [REDACTED]
[REDACTED]

(3) # [REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

#

(4) # [REDACTED]

		# # # # # #	
		# # # # #	

[illegible]

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IRM 25.25.1.5.2.2 - TC811 procedures. TC 971/524 for "other" determination types. Changed IDTCLM to CLSIDT. Referrals for IDT.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

[illegible]

		• [REDACTED] • [REDACTED] • [REDACTED] [REDACTED]
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IRM 25.25.1.5.2.3 - Added sending a Letter 5263C if the taxpayer makes the request.

(1) If the taxpayer did not receive Letter 5263C or the taxpayer requests the letter be reissued:

- Reissue the Letter 5263C
- Update IDRS control activity: **LTRREISSU**
- Update BMFIC to input the date you reissued the letter

(2) If an account was deemed fabricated without issuing the Letter 5263C and the taxpayer is requesting the letter:

- Issue the Letter 5263C using the IAT letter tool
- Open or update IDRS control: activity field **5263CSNT**, category **BIDT**, the received date will be the date the letter was issued. Ensure the IDRS control is closed after the letter is sent
- Update BMFIC to input the date you issued the letter and notate why the letter was issued as a note

IRM 25.25.1.5.2.4 - TC811 procedures. TC 971/524 for "other" determination types. Changed IDTCLM to CLSIDT. Referrals for IDT.

(1) Suspicious EIN's and/or Suspicious IRP may be elevated on Form 14566, BMF Identity Theft Referral, for further review through the EF Leads mailbox, # [REDACTED] follow IRM 25.23.9.8.2, Referrals to Return Integrity and Compliance Services (RICS). The Form 14566 will be reviewed by the RICS Business Performance Lab (BPL) Entity Fabrication liaison for accuracy, an acknowledgment sent to the referring liaison within three business days. Requests for assistance on Form 4442, referrals for the Suspicious IRP Team and referrals from other areas may be received through this mailbox. They will be placed into the Green Category.

(2) # [REDACTED]

- [REDACTED]

[REDACTED]

•

[REDACTED]

1

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
		1 [REDACTED] 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 [REDACTED] [REDACTED] 1 1 1 1 1 1

[illegible]

[illegible]

[illegible]

[illegible]

(3) Entities determined to be fabricated under IRM 25.23.9.8.1, Fabricated or Inactive EIN Procedures, and IRM 25.23.11.6.6.1, Fabricated EIN Referrals, will be sent through the EF Leads mailbox, # [REDACTED] #. The Form 14566, BMF Identity Theft Referral, will be reviewed by the RICS BPL Entity Fabrication liaison for accuracy, an acknowledgment sent to the referring liaison within three business days and placed into the Blue Category. [REDACTED]

- a. # [REDACTED]
- b. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] #

(4) # [REDACTED] #

- a. # [REDACTED] #
- b. # [REDACTED] #
- c. # [REDACTED] #
- d. # [REDACTED] #
- e. # [REDACTED] #
- f. # [REDACTED] #

[REDACTED] #

- g. # [REDACTED] #
- h. # [REDACTED] #
- i. # [REDACTED] #
- j. # [REDACTED] #

(5) # [REDACTED] #

Note: # [REDACTED] # See the BMF
External Lead Guide for POC contact information.

(6) # [REDACTED]

[REDACTED]		[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

		• [REDACTED] • [REDACTED]
		[REDACTED]
[REDACTED]	[REDACTED]	• [REDACTED] • [REDACTED] • [REDACTED] • [REDACTED] • [REDACTED] • [REDACTED] • [REDACTED]
		[REDACTED]
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	█ █ █ █ █ █	

[illegible]

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

[REDACTED]

[REDACTED]

[REDACTED] #

(4) Specific scenarios should be handled as follows:

Caution: Referrals are added to prior BMFIC cases, TE's must wait until the POC has added the referral into BMFIC and reopened the case before completing the reconsideration.

If ...	And...	Then...
Request to close, cancel or terminate an EIN when the account is currently closed as a Fabricated Entity	No returns have been filed, and no payments have been made to the EIN	• The Team POC will add the referral into the BMFIC database with note; "Reconsideration request from XX(Area requesting). • The Team POC will open an IDRS control using category code "P-EF" and the received date of the referral. Assign to a TE along with the BMFIC case. • Document your findings indicating that there is no activity on the account and the request to close the account was received. • Forward the request to the POC to request the reversal of the TC 971 AC 524. Note: The POC will follow HQ instructions/job aid to input the reversal and notify the TE when it is completed. Caution: The job aid is only accessible to the POC. • Close all open IDRS EF control bases and the BMFIC case. • Respond back to the originator with the following: "The TC 971 AC 524 Account Lock is being reversed. If your actions will not include a TC 020, please notify the Entity Fabrication team to re lock the account with a TC

		971 AC 524 when you have completed your actions.”
Request to close, cancel or terminate an EIN when the account is currently closed as a Fabricated Entity	There is activity on the EIN; returns have been filed, and payments have been made to the EIN	• The Team POC will add the referral into the BMFIC database with note; “Reconsideration request from XX(Area requesting). • The Team POC will open an IDRS control using category code “P-EF” and the received date of the referral. Assign to a TE along with the BMFIC case. • Conduct all research including checking other linked entities (cross reference SSN and related EINs) for necessary actions. • The account should not be unlocked if it still appears to be fabricated. • Document your findings and research. • Close all open IDRS EF control bases and the BMFIC case. • Respond back to the originator with the following: “The account is a Fabricated Entity and will not be unlocked to process the request. If a response to the taxpayer is needed; the taxpayer can be advised that the account has been deactivated”.

(5) The EF Referral Mailbox Job Aid can be viewed on the RIVO SERP Portal EF Referral Mailbox Job Aid

IRM 25.25.1.5.2.7 - Added link to 25.23.9-1.

(1) # [REDACTED] #

(2) # [REDACTED] #

(3) Follow the chart below based on the case determination:

If ...	Then...
# [REDACTED]	• # [REDACTED]

#		#
# #	• #	#
#	• #	#
#	• #	#

#	I I #
# #	• # #

(4) #

#

IRM 25.25.1.5.2.8 - Added new section for referrals received with no prior case in BMFIC.

(1) The Entity Fabrication (EF) Teams may receive referrals from other areas requesting the account to be evaluated for possible fabrication. A Case in BMFIC must be established before completing the referral request.

Exception: Referrals from the BMF ID Theft Teams select the **Fabricated Entity TC 971 524 checkbox** in the ID Theft case. This action will systemically create a new BMFIC case in the EF inventory.

(2) In the BMFIC database select **Cases** from the Dashboard menu. Select the green **Add** button then select **I am adding an Entity Fabrication case**. This will prompt you to input the Employer Identification Number (EIN). Once the case has been created, complete the information in the **Business & Owner Details** tab. Business name, address and owner information if available. Click the **Save** button.

(3) Open an IDRS control base on **CC ENMOD** using the following information:

- Activity **POTENTEF**
- Category **P-EF**
- Received date will be the date the referral was received
- Assign to the applicable IDRS number
- Check the **IDRS Control Opened** box in the BMFIC database on the **Business Master File tab** and then click **Save**.

(4) Add the referral in the **Correspondence** tab in the BMFIC database. Select **Add** then input the date the referral was received in the **Date of Correspondence field**. Select Referral for the Correspondence Type and then select **Business** for the **Response From** field. Click the green **Add** button. This will prompt you to add **Notes**. Input where the referral came from for example, **Referral from AM BMF IDT**, or **Referral from SBSE ET**, etc..

(5) Research the account following normal case procedures. See IRM 25.25.1.5.2, Case Processing for BMF Entity Fabrication to research the account. Notate your findings in BMFIC

(6) Once the research has been completed and a determination has been made, take the following actions:

If..	And..	Then..
The entity is not fabricated	And there is no other indication of IDT, fraud, etc.	Take the following actions: • Update AMS and EFDS based on closing action. See Exhibit 25.25.1-3, EF Standard Notes and Actions for EFDS and AMS. • Update EFDS MOC to Call OK. • Input Transaction Code (TC) 971 Action Code (AC) 715 on CC

		ENMOD. See the SERP RIVO BMF Portals, BMF EF-Inputting or Updating TC 971/AC 715 for input instructions. • Check CC BMFOLI for any -Q freezes that may need to be released. Input TC 811 to release the -Q Freeze. See IRM 25.25.1.3.3.5, Input of TC 811 for more instructions and what responsibility codes can be released. Note: Do not release any -Q freezes that have an open case in the BMFIC database for the BMF IDT Teams. Reminder: ERC credits with a -Q freeze should not be released at this time unless there is a corresponding TC 570 input by SBSE. ERC claims for 202109 and 202112 tax periods/year that were not filed prior to January 30, 2024, are being denied and should not be released to refund. • Close all open IDRS EF control bases. • Check the Update Mode of Contact in EFDS check box located in the BMFIC database. • Update/close case in the BMFIC database. • Respond to the originator if applicable.
The entity is not fabricated and research shows BMF IDT is involved	And business returns have been filed on the account	Take the following actions: • Update AMS and EFDS based on closing action. See Exhibit 25.25.1-3, EF Standard Notes and Actions for EFDS and AMS. • Update EFDS MOC to Call OK. • Check the Update Mode of Contact in EFDS check box located in the BMFIC database. • Close all EF IDRS control bases. • Close EF case in the BMFIC database. • Closed BMF IDT case in BMFIC: Reopen the BMF IDT case

		by adding a referral to the correspondence tab with a case note: Reopened for reconsideration. • Open BMF IDT case in BMFIC: The return will be addressed in the BMF IDT case. Continue working the EF case following existing procedures. • No cases in BMFIC: Prepare the Form 14566 to send to Accounts Management (AM) IDT. Notate on the form the reason for the referral. Send the referral to your functional BMF IDT Liaison # [REDACTED] # [REDACTED] • Record the referral in the EF Case and notate: Referral to AM IDT. Possible ID Theft involved. • Ensure all EF IDRS control bases are closed. • Ensure the EF case in the BMFIC database is closed. • Respond to the originator if applicable.
The entity is fabricated	And there is no activity on the account (returns filed, payments received, etc.)	Take the following actions: • Update AMS and EFDS based on closing action. See Exhibit 25.25.1-3, EF Standard Notes and Actions for EFDS and AMS. • Update EFDS MOC to Suspicious. Note: The TE's do not have access to change the MOC to Suspicious, they will select Hold/Call Back IRS. A report will be done weekly to update these to Suspicious. The TE should allow time for the MOC to update. • Check the Update IDOCS checkbox in BMFIC. • Check the Fabricated Entity TC 971-524 checkbox in BMFIC. • Update the Sort name line on CC ENMOD, see the job aid listed on the RIVO SERP Portal, Updating Sort Name for Entity Fabrication. • Input Transaction Code (TC) 971

		Action Code (AC) 524 and Transaction Code (TC) 971 Action Code (AC) 715 on CC ENMOD. See the SERP RIVO BMF Portals, BMF EF-Inputting TC 971 AC 524 to Lock Account for input instructions and the SERP RIVO BMF Portals, BMF EF-Inputting or Updating TC 971/AC 715 for input instructions. • Check the TC 971 524 Input Completed box in the BMFIC database to confirm the TC 971 AC 524 has been input on CC ENMOD. • Close all open RIVO IDRS control bases. • Check the Update Mode of Contact in EFDS check box located in the BMFIC database. • Update/close case in the BMFIC database. • Respond to the originator if applicable.
The entity is fabricated	And the account is unresolved (balance dues of tax, penalties or interest, payments, credits), and the TE is not adjustment trained	Take the following actions: • Update AMS and EFDS based on closing action. See Exhibit 25.25.1-3, EF Standard Notes and Actions for EFDS and AMS. • Update EFDS MOC to Suspicious. Note: The TE's do not have access to change the MOC to Suspicious, they will select Hold/Call Back IRS. A report will be done weekly to update these to Suspicious. The TE should allow time for the MOC to update. • Check the Update IDOCS checkbox in BMFIC. • Check the Fabricated Entity TC 971-524 checkbox in BMFIC. • Update the Sort name line on CC ENMOD, see the job aid listed on the RIVO SERP Portal, Updating Sort Name for Entity Fabrication. • Input Transaction Code (TC) 971 Action Code (AC) 524 and Transaction Code (TC) 971 Action

		Code (AC) 715 on CC ENMOD. See the SERP RIVO BMF Portals, BMF EF-Inputting TC 971 AC 524 to Lock Account for input instructions and the SERP RIVO BMF Portals, BMF EF-Inputting or Updating TC 971/AC 715 for input instructions. Note: Input a BMFIC note that records the current filing requirements and the Sort name line before inputting the TC 971 AC 524. • Check the TC 971 524 Input Completed box in the BMFIC database to confirm the TC 971 AC 524 has been input on CC ENMOD. • Refer to the RIVO BMF ID Theft Team. Record the referral in a BMF IDT Case by selecting Adjustment as the referral type and notate: "Referral from EF. Fabricated Entity needing adjustments- Not adjustment trained." • Close all open RIVO IDRS control bases. • Check the Update Mode of Contact in EFDS check box located in the BMFIC database. • Update/close case in the BMFIC database. • Respond to the originator if applicable.
The entity is fabricated	And the account is unresolved (balance dues of tax, penalties or interest, payments, credits), and the TE is adjustment trained	Take the following actions: • Before addressing the EF BMFIC case, establish a BMFIC Case for each form and tax period that needs to be addressed. These will be established by selecting Add a new Case then selecting I am adding a Business Master File Case instead of selecting EF. If there are any existing BMFIC IDT cases, reassign them to yourself to complete. This only applies when the determination is fabricated. Use the following

		statement when the case is created: Entity has been deemed fabricated. Account issues are being resolved by the EF Team. Complete the Business & Owner Details tab in the BMFIC case(s). • Open a control on each MFT and Tax period that needs to be resolved by using CC ACTON or the IAT ACTON Tool. Use category code P-EF, the received date of the response, activity code EFCONFRMD and assign the control to your IDRS number. If there is no response use category P-EF and use the date the EF case was created as the received date. • Complete adjustments to back out any posted returns, address any credits, payments, offsets, credit elect, etc., as applicable. Notate in the remarks NSD TS RIVO EF. Follow IRM 25.23.9.9, Account Actions. • Check CC BMFOLI for any -Q freezes that may need to be released. Input TC 811 with a post delay of 1 to release the -Q Freeze. See IRM 25.25.1.3.3.5, Input of TC 811 for more instructions and what responsibility codes can be released. • Input a TC 971 AC 522 on each MFT and Tax period that is addressed. Use WI RICS CLSIDT as the MISC code. See IRM 25.23.9-4 , BMF ID Theft indicators – TC 971 AC 522 CLSIDT – Closed and Confirmed as BMF ID Theft, for proper input. Input NSD TS RIVO in the remarks field. • In the Owner Phone Type field on the Business & Owner Details tab in BMFIC input EF ADJ. • Update notes, checkboxes, etc., and close the case in the BMFIC database using closure type Fabricated Entity - IDT
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		• To address the initial EF Case: update AMS and EFDS based on closing action. See Exhibit 25.25.1-3, EF Standard Notes and Actions for EFDS and AMS. • Update EFDS MOC to Suspicious.. Note: The TE's do not have access to change the MOC to Suspicious, they will select Hold/Call Back IRS. A report will be done weekly to update these to Suspicious. The TE should allow time for the MOC to update. • Check the Update IDOCS checkbox in BMFIC. • Check the Fabricated Entity TC 971-524 checkbox in BMFIC. • Update the Sort name line on CC ENMOD, see the job aid listed on the RIVO SERP Portal, Updating Sort Name for Entity Fabrication • Input Transaction Code (TC) 971 Action Code (AC) 524 and Transaction Code (TC) 971 Action Code (AC) 715 on CC ENMOD. See the SERP RIVO BMF Portals, BMF EF-Inputting TC 971 AC 524 to Lock Account for input instructions and the SERP RIVO BMF Portals, BMF EF-Inputting or Updating TC 971/AC 715 for input instructions. Note: Input a BMFIC note that records the current filing requirements and the Sort name line before inputting the TC 971 AC 524. • Check the TC 971 524 Input Completed box in the BMFIC database to confirm the TC 971 AC 524 has been input on CC ENMOD. • Close all open RIVO IDRS control bases. • Check the Update Mode of Contact in EFDS check box located in the BMFIC database. • Update/close case in the BMFIC
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		database. Respond to the originator if applicable.
If another determination is made	A TC 971 AC 524 needs to be input for reasons other than fabricated entity (business closed, inactive, no filing requirements, etc.)	Take the following actions: - Update the Other Account Lock TC 971-524 checkbox. Refer to IRM 25.23.9-1 (3), Transaction Code (TC) 971 Action Code (AC) 5XX - MISC Codes. - Add the suggested 971-524 MISC code in the Owner Phone Type field on the Business & Owner Details tab in BMFIC. - Update AMS and EFDS based on closing action. See Exhibit 25.25.1-3, EF Standard Notes and Actions for EFDS and AMS. - Update EFDS MOC based on closing action. - Check the Update IDOCS checkbox in BMFIC when IDOCs are filed without business knowledge, i.e. ID Theft Abused EIN or ID Theft - No Employees. The IDOCs will be marked on CC IRP as potentially fraudulent. Note: Add a separate note listing the false submissions that need the submission fraud indicator on IRP. Start the individual note with Add to submission fraud file - XXXXXX-XXX-XXXXX-X (Payer DLN) and Income Doc Type (W2, Form 1099-NEC, etc.) Multiple submissions can be added as needed within the same note. - Input Transaction Code (TC) 971 Action Code (AC) 524 and Transaction Code (TC) 971 Action Code (AC) 715 on CC ENMOD. See the SERP RIVO BMF Portals, BMF EF-Inputting TC 971 AC 524 to Lock Account for input instructions. - Close all open RIVO IDRS control bases. - Check the Update Mode of Contact in EFDS check box located in the

		BMFIC database. • Update/close case in the BMFIC database. • Respond to the originator if applicable.
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IRM 25.25.1.6 - Updated Form 14566 link.

(1) Any forms or more correspondence attached to Letter 5263C or Letter 6042C responses that are outside the scope of BMF IDT or Entity Fabrication processing need to be routed to proper area for processing. For example, an attached Form 8822-B, Change of Address or Responsible Party – Business, would be routed to Entity for processing. Refer to your campus's Mail Routing Guide for more information.

Note: Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, received in the campus or discovered attached to correspondence that have not been previously loaded to the Central Authorization File (CAF) file must be promptly faxed to the taxpayer's campus CAF team. Refer to IRM 21.3.7.1.7, Audience-Processing Site (CAF Function), for fax numbers to use.

(2) #



(3) Accounts with an account lock freeze code present on **ANY** tax module (i.e., Z freeze) or EF technician sees an indication of CI involvement in EFDS, take no actions. Send your lead an email with your research notes, summary, and case determination. Your lead will contact CI and provide you with guidance once it is received from CI. If research shows the need to send a letter, do not issue any correspondence without CI approval. Wait for CI liaison guidance before completing case processing actions. Refer to IRM 25.25.1.3.2, Case Processing, or IRM 25.25.1.5.2, Case Processing for BMF Entity Fabrication, as applicable for case processing actions.

(4) If an original amended return is received with Letter 6042C response and a BMF IDT technician determines there is no IDT involvement, the original return should be posted using existing procedures, refer to IRM 25.25.1.3.2, Case Processing, and then send amended return to AM for processing. If it is a copy of an amended return **do not** send to AM, file the copy with your response correspondence received.

(5) If during your research the account shows potential abuse to either the BMF return(s), or associated IMF returns by a preparer:

- Refer to IRM 25.25.2.22, Abusive Preparer Procedures for RIVO, for more guidance.
- Perform research using IDRS Command Code (CC) RPVUE, refer to IRM 2.3.63, Command Codes RPVUE, RPVCU, and RPPRT, for more information on CC RPVUE.
- Fill out the Abusive Preparer Template. Send the completed template to your Lead/Manager for review and approval. If agreed the Lead/Manager will forward the referral to the POC's for consideration.

(6) If during your research you identify a pattern of fraud that involves large amounts of lost refunds or refunds that could potentially be lost. Review the account with your lead, and use the following to determine if a Fraud Referral is needed:

- a. Review the Fraud Knowledge Base for more information and resources to help with your Fraud Referral. Refer to the Fraud Knowledge Base SharePoint for information and resources to help with Fraud referrals.
- b. If a fraud referral is needed, fill out the Campus Fraud Lead Sheet, Form 13549.
- c. The Lead/Manager will review the form and submit it to the local Campus Fraud Coordinator for review and acceptance/rejection.
- d. Update the Business Phone Type field in BMFIC to REF_2FRAUD.

(7) If during your research you identify a CAWR Civil Penalty or CAWR tax assessment for the tax year(s) that you are addressing, a Form 14566 referral will need to be completed and routed to CAWR to request a reversal due to the determination of IDT or EF. The Civil Penalty assessed by CAWR can be identified by an MFT 13, TC 240 with PRN 549 or PRN 550. A CAWR tax assessment can be identified by a TC 29X adjustment with a blocking series 55 on employment tax returns. A referral to CAWR is not necessary if the returns were deemed valid and are allowed to post to the account. The Form 14566 needs to be completed and emailed to RIVO's BMF IDT liaison at # [REDACTED] #. In the subject line input **CAWR Referral - Form 14566**. The BMF IDT cases have to be monitored until CAWR reverses the TC 29X adjustments in blocking series 55 before the BMF IDT Teams can complete their case. (Do not monitor for Civil penalty reversals)

Note: If a credit is located on MFT 13, research and move the credit back to where it originated from. Use hold codes as needed to avoid erroneous refunds.

IRM 25.25.1.7 - Updated links to the 6217C letter guidelines.

- (1) Letter 6217C is used by BMF IDT and EF programs to acknowledge receipt of letter responses, advise entity to submit Form 8822-B to update their entity information, or when more information is needed to resolve a case.
- (2) EF technicians sending the 6217C requesting Entity updates should send the letter to the business after researching and confirming the business is legitimate.
- (3) Technicians are to use the Letter 6217C in lieu of contacting taxpayers by phone. Use the standardized paragraph language provided by HQ when requesting more information from the taxpayer.
- (4) Update case in BMFIC to record Letter 6217C sent by adding letter record, date you issued the letter, and add a note to case explaining why Letter 6217C was issued.

Note: # [REDACTED]

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IRM 25.25.1.9 - Added a reminder to research or bad addresses on returns filed.

- (1) An external lead involves a questionable tax refund reported by financial institutions or various other sources. IRM 25.25.8.1.7, External Lead Program Overview, provides information pertaining to the External Lead program.
- (2) All External Leads involving BMF accounts will be submitted to the # [REDACTED] # mailbox for Entity Fabrication review. After Entity Fabrication has conducted a review, if there is suspected IDT involvement, a response email containing the Entity Fabrication results will be forwarded to the BMF IDT workgroup POC for review along with the External Lead POC. When all review has been conducted a final email will be sent to the External Lead POC containing research results and details to whether funds are to be returned to the IRS.

Note: The BMF referral subject line must appear as: **External Lead BMF Referral_####**, (#### = last four digits of the EIN) and the body of the email must include the TIN, tax period, MFT, the spreadsheet provided by the financial institution (password removed), and any other attachments or pertinent information.

- (3) The Entity Fabrication team will follow the below steps when working a BMF External Lead referral:
- a. Add a new EF case in BMFIC using the most current IDRS entity information to complete the Business and Owner Details section.
 1. Enter **BankLead** in the **Business Phone Type** field and save the case in BMFIC.

- b. Add a correspondence **Referral** record using the original received date of the referral email as the **Date of Correspondence** and select **Business** as the **Response From**.
- c. Assign the BMFIC case to a TE for review and processing.
- d. The TE must research and review the case within five business days for an EF case determination, close the case using existing procedures found in IRM 25.25.1, Return Integrity and Verification Operation Business Master File Procedures.

Reminder: Research for bad addresses on returns that have been filed to assist with making a determination on the bank lead referral.

1. If the case is determined to be fabricated, send the referral response back to the originator and the External Lead POC advising the entity was deemed fabricated and the tax refund should be returned to the IRS. The email response must include the BMF IDT POC so a BMF IDT case can be created in BMFIC to monitor and take any necessary actions to back out an invalid return filing if necessary. Ensure to include the EF case determination made along with research conducted that supports the determination.

2. If the case determination is not fabricated and IDT is suspected, send the referral to the BMF IDT POC for potential IDT review. Include the originator and the External Lead POC for awareness that the response will come from the BMF IDT POC. Include all attachments and the EF case determination made along with research conducted that supports that determination.

Note: Per IRM 25.25.8.1.7 , External Lead Program Overview, the Lead source will be notified within 10 days to return or keep the funds, unless the lead contains a large volume of accounts.

(4) If case determination is not fabricated and return is not IDT, send the referral back to the originator and External Lead POC. Include the EF case determination/summary notes, along with the research conducted that supports the determination.

Note: Per IRM 25.25.8.1.7 , External Lead Program Overview, the Lead source will be notified within 10 days to return or keep the funds, unless the lead contains a large volume of accounts.

(5) When a BMF External Lead referral is received from Entity Fabrication either confirming the entity was deemed fabricated or requesting review for suspected IDT, the BMF IDT workgroup will:

- a. Add a new BMF case in BMFIC using the most current IDRS entity information to complete the Business and Owner Details section.

1. The EIN, MFT, and tax period should be provided in the referral received; use the posted TC 150 DLN as the DLN in BMFIC case creation.
 2. Enter the current BMF cycle from the referral in the 'Cycle' field of the Business Master File section of the case in BMFIC.
 3. Enter the refund check amount from the External Leads bank inquiry into the 'Claimed Amount' field in the Business Master File section of the case in BMFIC.
 4. Enter "BankLead" in the 'Business Phone Type' field and save the case in BMFIC.
- b. Add a correspondence record in the BMFIC database. The **Date Of Correspondence** field is the original received of the referral email. Select **Referral** for the **Correspondence type** and select **Business** for the **Response From** field.
 - c. Assign the BMFIC case to a TE for review and processing.
 - d. The TE must research and review the case within five days for the BMF IDT case determination, close the case using the existing procedures found in IRM 25.25.1, Return Integrity and Verification Operation Business Master File Procedures.
 - a. If the case was determined to be a fabricated entity by the EF team, monitor the case for a TC 720 posting of returned funds before completing the remaining required case closing actions.
 - b. If the case was determined to not be fabricated by the EF team but the return is IDT, send the referral response back to the External Lead POC advising that the return was deemed IDT and request the financial institution return the tax refund to the IRS. Ensure to include both the EF team's EF case determination and summary notes along with the BMF IDT case determination made with the research conducted that supports that determination. Monitor the case for the TC 720 posting of the returned funds before completing the remaining required case closing actions.
 - c. If the case is determined to not be fabricated and the return is not IDT, send the referral response back to the External Bank Lead POC and ensure to include both the EF team's EF case determination and the summary notes along with the BMF IDT case determination made including the research conducted that supports that determination.

Note: When funds have posted to the account External Leads will send an email to the BMF POC with the subject line "External Lead BMF Referral Lead Closed_####," (#### = last four digits of the EIN). The TE assigned to the BMF case in BMFIC will need to take the case out of monitor status and take closing actions on the account in IDRS and in BMFIC.

Note: Per IRM 25.25.8.1.7, External Lead Program Overview, the Lead source will be notified within 10 days to return or keep the funds, unless the lead contains a large volume of accounts.

Exhibit 25.25.1-3 - Do not list IRS employees names in notes. Updated IDT referrals to AM.

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