



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

2.3.40

MAY 9, 2024

EFFECTIVE DATE

(05-09-2024)

PURPOSE

- (1) This transmits revised IRM 2.3.40, IDRS Terminal Responses, Command Code PICRD.

MATERIAL CHANGES

- (1) Manual Transmittal page included the following: Author, Symbols, Date, insert the Prior Revisions and the Signed by Information.
- (2) IRM 2.3.40.1 Updated internal controls which included Background, Authority, Roles and Responsibilities, Program Management and Review, Program Controls, Terms and Acronyms, Related Resources (if any).
- (3) IRM 2.3.40.1 Updated stakeholder Wage & Investment (W&I) to reflect new name Taxpayer Services (TS).

EFFECT ON OTHER DOCUMENTS

IRM 2.3.40, dated November 7, 2022, is superseded.

AUDIENCE

LMSB, SB/SE, TE/GE, TS

Rajiv Uppal,
Chief Information Officer

2.3.40

Command Code PICRD

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2.3.40.1
(05-09-2024)
Program Scope and Objectives

- (1) This section provides specific instructions for research on the IDRS (Integrated Data Retrieval System) for the following types of Tax Module Records:
 - IMF – Individual Master File
 - BMF – Business Master File

It gives step-by-step procedures for displaying explanations of the computation of Credit Interest on allowable refunds and offsets. Command Code **PICRD** access accounts on the TIF (Taxpayer Information File).
- (2) Purpose: This transmits revised IRM 2.3.40, IDRS Terminal Responses, Command Code PICRD
- (3) Audience: All IRS business areas.
- (4) Program Owner: Customer Service
- (5) Primary Stakeholders: Taxpayer Services (TS), Large Business and International (LB&I), Small Business Self-Employed (SB/SE), Tax Exempt and Government Entities (TE/GE).
- (6) Program Goals: This system manages data that was extracted from the Corporate Account Data Stores (BMF and IMF) allowing IRS employees to research Credit Interest taxpayer account issues.

2.3.40.1.1
(01-01-2009)
Background

- (1) Command code PICRD displays explanations of the computation of Credit Interest (interest due the taxpayer) on allowable refunds and offsets. The computation uses only information accessed from the ITIF or BTIF tax module.
- (2) Only tax periods subsequent to 198212 will be considered.
- (3) Command code PICRD will only attempt computation if master file has computed credit interest (TC776) on the tax module. Command code PICRD's computation is basically a recompute of master file's computation plus consideration of any qualified TIF pending transactions.
- (4) The messages contained in See IRM 2.3.40.3 are strictly informational. They help to explain how the interest was computed. It is possible to receive multiple messages.
- (5) The command code will allow the TIN, MFT, tax period and name control to be passed from a preceding command code such as TXMOD and other PINEX command codes; thus eliminating the requirement to always input the data on the screen.
- (6) The various screens for command code PICRD are shown in See Exhibit 2.3.40-1 through See Exhibit 2.3.40-4.

2.3.40.1.2
(01-01-2023)
Authority

- (1) **IRM 20.1**, Penalty Handbook, provides guidance to all areas of the IRS for all civil penalties imposed by the Internal Revenue Code (IRC). It sets forth general policy and procedural requirements for assessing and abating penalties, and it contains discussions on topics such as criteria for relief from certain penalties.

2.3.40.1.3
(01-01-2023)

Roles and Responsibilities

- (1) The Director, Business Support, is the director responsible for the servicewide civil penalty program.
- (2) The Director, Internal Management, is the director responsible for the IDRS Command Code.
- (3) Overall responsibility for civil penalty programs is assigned to OSP. OSP is a matrix organization residing in the Business Support (Small Business/Self Employed) Function. OSP is charged with coordinating policy and procedures concerning the civil penalty program administration, ensuring consistency with the penalty policy statement, reviewing and analyzing penalty information, re-researching penalty effectiveness on compliance trends, and determining appropriate action necessary to promote voluntary compliance.
- (4) Each and every taxpayer has a set of fundamental rights when dealing with IRS as provided in the Taxpayer Bill of Rights (TBOR). All employees handling penalty cases must do so in accordance with the TBOR as listed in **IRC 7803 (a)(3)**. The TBOR can also be found at Taxpayer Bill of Rights on [irs.gov](https://www.irs.gov).

2.3.40.1.4
(01-01-2023)

Program Management and Review

- (1) Every function in the IRS has a role in proper penalty administration. It is essential that each function conduct its operations with an emphasis on promoting voluntary compliance. Appropriate business reviews should be conducted to ensure consistency with the penalty policy statement (**Policy Statement 20-1**) and philosophy. Attention should be directed to penalty program coordination between offices and functions to make sure that approaches are consistent and penalty information is used for identifying and responding to compliance problems.

2.3.40.1.5
(01-01-2023)

Program Controls

- (1) SACS controls all the IDRS user accesses and permissions.

2.3.40.1.6
(01-01-2023)

Terms and Acronyms

- (1) Commonly used acronyms used within this IRM:

Acronym	Definition
IMF	Individual Master File
BMF	Business Master File

2.3.40.1.7
(01-01-2023)

Related Resources

- (1) IRM 20.1.1, Penalty Handbook, Introduction and Penalty Relief
- (2) 2.3.29 - IDRS Terminal Responses - Command Codes INTST, ICOMP, and COMPA
- (3) 2.4.43 - IDRS Terminal Responses - Command Code PINEX
- (4) 2.3.43 - IDRS Terminal Response - Command Code PIFTF
- (5) 2.3.44 - IDRS Terminal Responses - Command Code PIVAR

2.3.40.2

(01-01-2000)

**Terminal Responses —
CC PICRD**

- (1) **NOTE:** If any of the following error messages is returned the invalid element can be corrected and re-entered.
- (2) *INVALID TIN* — The requested TIN does not meet the standard validity criteria or is not IMF or BMF.
- (3) *INVALID MFT* — The requested MFT code does not meet the standard validity criteria.
- (4) *INCONSISTENT MFT/TIN* — The MFT code input is inconsistent with the type of account input.
- (5) *MFT 13/55 INVALID FOR CC PICRD* — Civil penalty modules are not displayed or explained on CC PICRD.
- (6) *INVALID TXPD* — The tax period input does not meet the standard validity criteria.
- (7) *INCONSISTENT TXPD/MFT* — The tax period input is inconsistent with the MFT input.
- (8) *TAX PERIOD 198212 AND PRIOR INVALID FOR CC PICRD* — Any tax period 198212 and earlier is invalid for CC PICRD.
- (9) *NO DATE OF DEATH ON MODULE* — Tax module 52 0000 is missing DATE-OF-DEATH-DT.
- (10) *BMF ACCESS RESTRICTED* — Employee not profiled to access BMF accounts.
- (11) *IMF ACCESS RESTRICTED* — Employee not profiled to access IMF accounts.
- (12) *NAI ACCESS RESTRICTED* — NAI access denied in training mode.
- (13) *ACCOUNT NOT ON TIF* — The requested TIN does not match an account on file.
- (14) *ACCOUNT NOT AT REMOTE SITE* — The requested TIN does not match an account on the NAI (National Account Index).
- (15) *TAX MODULE NOT ON TIF* — The requested MFT and tax period does not have a matching module for that account.
- (16) *REQUESTED TIN MATCHES DUMMY ACCOUNT ON TIF* — The requested TIN matches a dummy account.
- (17) *REQUESTED TIN MATCHES MEMO ACCOUNT ON TIF* — The requested TIN matches a memo account.
- (18) *REQUESTED TXPD MATCHES DUMMY MODULE ON TIF* — The requested module is a dummy module.
- (19) *REQUESTED TXPD MATCHES MEMO MODULE ON TIF* — The requested module is a memo module. Non-Compute Messages — The following error messages occur when the module contains restrictive conditions that inhibit the computation of credit interest.

NOTE: WHEN ANY ONE OF THE FOLLOWING MESSAGES IS DISPLAYED — THERE IS NO FURTHER PROCESSING.

- (20) *UNABLE TO COMPUTE — NO POSTED RETURN* — There is no posted return associated with this specific tax module.
- (21) *UNABLE TO COMPUTE — CREDIT INTEREST COMPUTATION IS RESTRICTED* — Credit interest computation is restricted due to one of the following conditions:
 - a. I Freeze on module
 - b. TC 770, 771 or 772 on module
 - c. The net of transaction amounts of TC's 534 and 535 is less than zero
 - d. TC 780 on the module
- (22) *UNABLE TO COMPUTE — RIGHT HAND FREEZE CODE IS D* — This freeze code is designed to freeze refunds erroneously generated after the refund statute period is expired.
- (23) *UNABLE TO COMPUTE — NO TC 776 ON MODULE* — Master File has not generated 776 transaction on this module.
- (24) *UNABLE TO COMPUTE — NET CREDIT INTEREST AMOUNT IS ZERO* — The net transaction amounts of TC 77X's is zero.
- (25) *UNABLE TO COMPUTE OFFSET CREDIT INTEREST — MORE THAN ONE MASTER FILE INVOLVED* — Both IMF and BMF are involved in offsets on the module.
- (26) *UNABLE TO COMPUTE CREDIT INTEREST ON OFFSETS POSTED BEFORE JULY 1986 (CYCLE 198629)* — CC PICRD cannot compute credit interest on offsets posted before July 1986.
- (27) *UNABLE TO COMPUTE — INSUFFICIENT UNREVERSED CREDITS AVAILABLE* — The total available credits dated by refund/offset date is less than the refund/offset principal amount.
- (28) *NO UNREVERSED REFUNDS OR OFFSETS PRESENT ON MODULE* — There are no refunds/offsets on the module or all refunds/offsets on module have been reversed.
- (29) *UNABLE TO COMPUTE — NO MATCHING TRANSACTION FOR REFUND OR OFFSET REVERSAL TRANSACTION* — There is a refund/offset reversal transaction that doesn't match a TC on the module.
- (30) *UNABLE TO COMPUTE — REVERSAL OF REFUND OR OFFSET WITH RESTRICTED INTEREST* — Manually compute — computer unable to backout restricted interest processing.
- (31) *NO CREDIT INTEREST ALLOWED. COMBAT ZONE TAXPAYER* — Self explanatory.
- (32) *NO CREDIT INTEREST ALLOWED. UNPROCESSABLE RETURN* — Self explanatory.

- (33) *UNABLE TO COMPUTE — NON-COMPUTE-CD IS XXX* — XXX is a code in the interest program indicating reason unable to compute credit interest — Notify RPA, and National Office Programmer.
- (34) *UNABLE TO COMPUTE — ALL CREDITS HAVE EFFECTIVE DATE SUBSEQUENT TO REFUND/OFFSET DATE* — This condition is caused by bad data on the TIF module.
- (35) *UNABLE TO COMPUTE — TOO MANY TRANSACTIONS ON MODULE TO PROCESS* — There are more than 200 transactions on the module and the computation process is unable to table them all.

2.3.40.3

(01-01-2000)

**Informational Messages
Displayed After
Computation Breakdown
on the Screen**

- (1) ADDITIONAL INTEREST ALLOWED ONLY ON ADDITIONAL CREDITS FOR REISSUED REFUND
- (2) NO INTEREST ALLOWED ON PREASSESSMENT REFUND
- (3) 45 DAY PROCESSING CRITERIA MET
- (4) INTEREST RESTRICTD ON NET OPERATING LOSS (NOL) AND CARRYBACK
- (5) INT. NOT COMPUTED ON OVERPYMNT RESULTING FROM PYMNT PROCESSED AS CASH BONDS
- (6) NO ADDITIONAL INTEREST ALLOWED ON REISSUED REFUND
- (7) MFT 01, 04 OR 11 AND UNREVERSED TC 299 OR TC 309 ON MODULE
- (8) CREDIT DATE PRIOR TO REFUND DATE BUT LATER THAN INTEREST COMPUTATION DATE. NO INTEREST ALLOWED — This indicates a credit posted after the interest computation date but before the refund check date. We allowed the credit but did not pay interest on it.
- (9) NO INTEREST ALLOWED. REFUNDED GASOHOL CREDITS OR A REBATE TO PURCHASER OF GAS OR OIL. — There is no interest allowable on refunded gasohol credits or on a rebate to a purchaser of gas or oil. This involves modules with MFT of 02, 33 or 34 and TC 766/767 with block number of 400–499. This indicates a credit posted after the interest computation date but before the refund check date. We allowed the credit but did not pay interest on it.

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Exhibit 2.3.40-1 (01-01-2000)

Command Code PICRD Input Request Format

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	
	1234567890123456789012345678901234567890123456789012345678901234567890								
1	PICRD nnn-nn-nnnnv								1
2	nn yyyymm								2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
	1234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	

Element Number	Line	Pos.	Element Name	Format
1	1	1-5	COMMAND-CD	PICRD
2	1	7-18	Edited TIN and File Source	For BTIF: nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnnn For ITIF: nnn-nn-nnnn nnn-nn-nnnn*
3	2	1-2	MFT	nn
4	2	4-9	TAX-PRD	yyyymm

Exhibit 2.3.40-2 (01-01-2000)**Command Code PICRD Output Error Display**

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	
	1234567890123456789012345678901234567890123456789012345678901234567890								
1	PICRD	nnn-nn-nnnv							1
2	nn	yyymm							2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
	1234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	

Element Number	Line	Pos.	Element Name	Format
1	1	1-5	COMMAND-CD	PICRD
2	1	7-18	Edited TIN and File Source	For BTIF: nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn For ITIF: nnn-nn-nnnn nnn-nn-nnnn*
3	2	1-2	MFT	nn
4	2	4-9	TAX-PRD	yyymm
6	24	1-80	Error Message	

Exhibit 2.3.40-3 (01-01-2000)

Command Code PICRD Output Explanation Display for Credit Interest (for non compute conditions)

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	
	12345678901234567890123456789012345678901234567890123456789012345678901234567890								
1	CINCOMP			vv vv	nnn-nn-nnnv	nn yyyymm	yyvyddd		1
2									2
3									3
4									4
5								-	5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
	12345678901234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	

Exhibit 2.3.40-3 (Cont. 1) (01-01-2000)**Command Code PICRD Output Explanation Display for Credit Interest (for non compute conditions)**

Element Number	Line	Pos.	Element Name	Format
1	1	1–7	Literal	CINCOMP
2	1	31–32	B.O.D code	vv
3	1	33–36	B.O.D client code	vvv
4	1	47–58	Edited TIN and File Source	For BTIF: nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn For ITIF: nnn-nn-nnnn nnn-nn-nnnn*
5	1	61–62	MFT	nn
6	1	64–69	TAX-PRD	yyyymm
7	1	73–79	SCREEN-JULIAN-DT	yyyddd
8	3	1–80	Message to operator	

Line 24 will contain system paging information

Exhibit 2.3.40-4 (01-01-2000)**Command Code PICRD Output Explanation Display for Credit Interest (for compute conditions)**

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	
	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	
1	CINCOMP	MATCH		vv vvv	nnn-nn-nnnnv	nn vvvvmm	vvvyddd		1
2	TOTAL PYMTS/CREDITS	zzz,zzz,zz9.99			TOTAL REFUNDED/OFFSET	zzz,zzz,zz9.99			2
3									3
4				CREDITS					4
5	CODE	TRANS AMT	DATE		CODE	TRANS AMT	DATE		5
6	TC999	zzz,zzz,zz9.99-	mmddyvvv		TC999	zzz,zzz,zz9.99-	mmddyvvv		6
7	TC999	zzz,zzz,zz9.99-	mmddyvvv		TC999	zzz,zzz,zz9.99-	mmddyvvv		6
8									8
9				REFUND/OFFSET					4
10	CODE	REFUND AMT	FROM	TO	PRINCIPAL	INT FACTOR	INT AMOUNT		10
11	TC999	zzz,zzz,zz9.99	mmddyvvv						11
12	z9.9%		mmddyvvv	mmddyvvv	zzz,zzz,zz9.99	.999999999	zzz,zzz,zz9.99		12
13	z9.9%		mmddyvvv	mmddyvvv	zzz,zzz,zz9.99	.999999999	zzz,zzz,zz9.99		13
14	z9.9%		mmddyvvv	mmddyvvv	zzz,zzz,zz9.99	.999999999	zzz,zzz,zz9.99		14
15					CREDIT INTEREST SUBTOTAL	zzz,zzz,zz9.99			15
16									16
17					REFUND/OFFSET REVERSED		0.00		17
18									18
19					NO INTEREST COMPUTED		0.00		19
20									20
21					TOTAL INTERSET		zzz,zzz,zz9.99		21
22									22
23									23
24									24
	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-79	

NOTE: Amount fields are depicted in the above screen graph and following element specifications with z's and 9's. This represents suppression of leading zeros.

Exhibit 2.3.40-4 (Cont. 1) (01-01-2000)**Command Code PICRD Output Explanation Display for Credit Interest (for compute conditions)**

Element Number	Line	Pos.	Element Name	Format
1	1*	1–7	Literal	CINCOMP
2	1*	11–18	MF-MATCH-LITERAL	“MATCH” or “MISMATCH”
3	1	31–32	B.O.D code	vv
4	1	33–36	B.O.D client code	vvv
5	1*	47–58	Edited TIN and File Source	For BTIF: nnn-nn-nnnnW nnn-nn-nnnnV nn-nnnnnnn For ITIF: nnn-nn-nnnn nnn-nn-nnnn*
6	1*	61–62	MFT	nn
7	1*	64–69	TAX-PRD	yyyymm
8	1*	73–79	SCREEN-JULIAN-DT	yyyddd
9	2	1–19	LITERAL	TOTAL PYMTS/ CREDITS
10	2	22–35	TOT-CREDITS-FOR-CR-INT	zzz,zzz,zz9.99-
11	2	43–63	Literal	TOTAL REFUNDED/ OFFSET
12	2	66–79	REFUND-OFFSET-TOTAL	zzz,zzz,zz9.99-
13	4	38–44	Literal	CREDITS
14	5	2–5	Literal	CODE
15	5	16–24	Literal	TRANS AMT
16	5	30–33	LITERAL	DATE
17	5	45–48	Literal	CODE
18	5	59–67	Literal	TRANS AMT
19	5	73–76	Literal	DATE
20	6**	1–2	Literal	TC
21	6**	3–5	CREDIT-TC	999
22	6**	11–25	CREDIT-AMT	zzz,zzz,zz9.99-

Exhibit 2.3.40-4 (Cont. 2) (01-01-2000)**Command Code PICRD Output Explanation Display for Credit Interest (for compute conditions)**

Element Number	Line	Pos.	Element Name	Format
23	6**	29–36	CREDIT-EFFECTIVE-DATE	mmddyy
24	6**	44–45	Literal	TC
25	6**	46–48	CREDIT-TC	999
26	6**	53–67	CREDIT-AMT	zzz,zzz,zz9.99-
27	6**	71–78	CREDIT-EFFECTIVE-DATE	mmddyy
28	9***	35–47	Literal	REFUND/OFFSET
29	10***	2–5	Literal	CODE
30	10***	12–21	Literal	REFUND AMT
31	10***	25–28	Literal	FROM
32	10***	33–34	Literal	TO
33	10***	43–51	Literal	PRINCIPAL
34	10***	54–63	Literal	INT FACTOR
35	10***	69–78	Literal	INT AMOUNT
36	11***	1–2	Literal	TC
37	11***	3–5	REF-OFF-TRANS-CODE	999
38	11***	7–20	REF-OFF-TRANS-AMT	ZZZ,ZZZ,ZZ9.99
39	11***	22–29	REF-OFF-TRANS-DATE	mmddyy
40	12****	1–4	CR-INT-RATE	Z9.9
41	12****	5	Literal	%
42	12****	22–29	CR-INT-COMPUTE-FROM-DT	mmddyy
43	12****	31–38	CR-INT-COMPUTE-TO-DT	mmddyy
44	12****	40–53	CR-INT-PRINCIPAL-AMT	ZZZ,ZZZ,ZZ9.99
45	12****	55–64	CR-INT-FACTOR	.9999999999
46	12****	66–79	CREDIT-INTEREST-AMT	ZZZ,ZZZ,ZZ9.99
47	15*****	41–64	Literal	CREDIT INTEREST SUBTOTAL
48	15*****	66–79	CR-INT-ACCUM-FOR-THIS-R-O	ZZZ,ZZZ,ZZ9.99
49	21*****	41–54	Literal	TOTAL INTEREST
50	21*****	66–79	TOTAL-CREDIT-INTEREST	ZZZ,ZZZ,ZZ9.99

Exhibit 2.3.40-4 (Cont. 3) (01-01-2000)**Command Code PICRD Output Explanation Display for Credit Interest (for compute conditions)**

Element Number	Line	Pos.	Element Name	Format
51	17+	41–62	Literal	REFUND/OFFSET REVERSED
52	17+	76–79	CR-INT-ACCUM-FOR-THIS-R-O	0.00
53	19++	41–62	Literal	NO INTERESTED COMPUTED
54	19++	76–79	CR-INT-ACCUM-FOR-THIS-R-O	0.00

NOTES

- * These elements will appear on the first line of each output screen page.
- ** Line number is dependent on volume of credits.
- *** Line number is dependent on volume of credits and number of refunds/offsets on the module.
- **** Line number is dependent on volume of interest rate changes.
- ***** Line number is dependent on volume of elements 38 through 44. Elements 45 and 46 will be 1 line below last element 44 for the particular refund/offset.
- ***** Elements 47 and 48 will be 2 lines below element 45 and 46 of the last refund/offset on the module.
- + This literal is only put out if the refund/offset has been reversed.
- ++ This literal is only put out if interest is not computed on the refund.

Line 24 will contain system paging information